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FREIGHT RATES

SOUTHERN TERRITORY

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LASALLE EXTENSION UNIVERSITY
CHICAGO

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EXPLANATORY NOTE

As the author of the treatise on "Freight Rates: Southern Territory" was preparing his work on that subject in the spring of 1914, the Interstate Commerce Commission announced its decision in regard to the petitions of the carriers in this territory for authority to violate the provisions in the fourth section of the Act to Regulate Commerce, the so-called "long-and-short-haul clause." In some cases these petitions were denied and in other cases they were allowed, involving to some extent the rates to every community in this territory.

The importance of this decision may be seen from the fact that while the Commission has already granted the carriers a six months' extension of time (until April 1, 1915) to comply with its order in this case, it is stated by well-informed persons that it will be impossible to complete the work by that time and a further extension from that date will be necessary.

For these reasons it has been deemed advisable to treat the rate adjustments employed in this territory as they exist rather than to attempt to forecast the ultimate results of compliance with the order, and a due allowance should be made for discrepancies between the basis given in this work and such new rates as may be published in the future.

It is not anticipated, however, that the value of this treatise will be affected to a great extent until the order of the Commission has been fully complied with.

L. E. U.

FREIGHT RATES

SOUTHERN TERRITORY

INTRODUCTION

The term "Southern Territory," as it is used herein, includes that territory lying south of the Ohio and Potomac rivers and east of the Mississippi River. For rate-making purposes this territory is sub-divided into four sections—the Southeastern (which is the largest in point of area, railroad mileage, and volume of traffic), the Mississippi Valley, the Carolina, and the Kentucky-Tennessee. This sub-division came about through variations in the geographical and competitive conditions, as well as in the separate interests of the several railroads serving, respectively, these sections.

Through this territory there extend from west to east, the lines of the Norfolk and Western Railway, the Chesapeake & Ohio Railway, and certain branch lines of railroads operating north of the Ohio and Potomac rivers, as well as some independent lines whose outlets are via these northern roads. The adjustments of the rates on such roads are entirely under the rate bases applying to the railroads north of the Ohio and Potomac rivers, and it is only the lines of the railroads lying south of the Norfolk and Western Railway, including those which run from the north to the south and cross these others at

right angles, whose adjustments are dealt with in this treatise.

Within the Southern Territory the Southern Classification is generally employed, except that certain state railroad commissions have adopted for the government of intrastate traffic separate classifications, which, however, are founded upon the Southern Classification.

There are also used locally by individual lines certain exception sheets, which, substantially in effect, produce lines of commodity rates. Through or joint rates from points outside the Southern Territory to destinations therein, with very few exceptions, are also governed by the Southern Classification. The treatise on "Freight Classification" explains quite fully the application of the Southern Classification.

In this treatise the influences that have produced the freight rate structure in the Southern Territory will be pointed out, and the relationship of rates under this structure, as they are exemplified by existing tariffs, will be shown in their main features. There will also be outlined the basis of rate construction between places in this territory and places beyond the border thereof.

CHAPTER I

DEVELOPMENT OF RATE STRUCTURES

1. INTRODUCTION

While, generally speaking, rates in Southern Territory are, as elsewhere, proportionate to the length of the haul, it may be said that distance is not the main factor under which the rate fabric has been constructed; in fact, this fabric has grown up under the stress of competitive influences as developed by the competition of rail carriers with water carriers, rail carriers with rail carriers, markets with markets, commodities with commodities, and often under the pressure of public agitation or governmental authorities not in direct control.

It may be said that the basic principle of rate construction is the mileage or graduated local tariffs of the respective lines handling traffic between two places in the territory—a single tariff where there is a single-line haul, and a combination of rates under the local tariffs of the interested line where there is more than a one-line haul. Variations from this basic principle—always under lower figures—have been produced by the competitive influences referred to.

Taken as a whole, the present-day rate adjustment in the South produces a relationship between places in a given section of the territory and between one section and another. This adjustment is widely divergent from that observed in Central Freight Association and Trunk Line territories, where scales of rates proportionate to distance and a percentage system of relationship (one or the other or both) is practically universally observed. Nor is there any general practice of grouping geographical districts and of applying the same rates to all places in a given district, such as is observed in making rates to Texas territory; in fact, it cannot be said that there is any resemblance between the Southern rate fabric and that in any other section of the country, except a few long-distance adjustments in Western Territory.

2. COMPETITION

(a) Competition between Water Carriers and Rail Carriers

By far the most potent of the competitive influences which served to develop the present-day rate system in the South is the water transportation, most of which is available throughout the year. The Atlantic Ocean on the east, the Gulf of Mexico on the south, the great arteries of the Mississippi River on the west, and the Ohio River on the north, together with the numerous smaller navigable streams piercing almost to the center of the territory, all furnish ready means of water transportation, both by regular and tramp lines of boats as well as by boats operated in furtherance of minor and private

interests. The rates made by the water carriers, both between river points and between seaside points, are invariably less than the scales of rates employed by the rail carriers. Wherever, therefore, there is any considerable tonnage involved, it will be found that the rail rates are more or less depressed below the level of those usually made for like distances between places not affected by water transportation.

A study of the map¹ will show the navigable waters reaching far into the interior, most of them being operative, except for very short periods caused by floods, from nine to twelve months in the year. The government is rapidly improving channel conditions in these rivers, so that the time is not far distant when all of them will be navigable to boats of a capacity proportionate to the size of the river and to the traffic thereon, during the entire year.

The Potomac River is navigable to Washington, D. C., the James River to Richmond, the Cape Fear River to Fayetteville, N. C., the Pedee River to Cheraw, S. C., the Santee River to Columbia, S. C., the Savannah River to Augusta, Ga., the Altamaha and Ocmulgee rivers to Macon, Ga., the Apalachicola and Chattahoochee rivers to Columbus, Ga., the Flint River to Albany, Ga., the Alabama River to Montgomery, Ala., the Tombigbee River to Demopolis, Ala., and the Pearl River to Jackson, Miss. The Yazoo River and its tributaries keep open the so-called delta section of Mississippi, by water, to the outside world. The Tennessee River is operative from its mouth to Knoxville. The Cumberland River is navigable as far up as Burnside, Ky. Navigation in

¹ Map 11 of the Atlas of Traffic Maps.

the Green River as far as Mammoth Cave, Ky. (with branch communication by means of the Barren River to Bowling Green, Ky.) is made possible during the entire year as a result of the damming and locking of the stream. The Kentucky River is navigable from Carrollton, Ky., to High Bridge, Ky. In addition, there are some navigable stretches of water in the interior, such as on the Coosa River between Rome, Ga., and Gadsden, Ala. Governmental improvements, in time, will doubtless connect these isolated stretches of navigable water. In truth, governmental reports show that out of 36,796 miles of navigable water in the United States no less than 16,722 miles (45 per cent) serve the Southern Territory.

All the inland waterways referred to have been used to a greater or lesser extent at various periods during the settlement of the territory surrounding them and the commercial and industrial development. In the case of most of them, boat transportation was greater, relatively, at the time when the main courses of the exchange and distribution of commodities was between and through cities and towns connected by these streams than it is at the present time. Naturally, the development of industry and trade of inland towns has comparatively lessened the volume of the traffic to move via the waterways. Nevertheless, they are used, on the whole, at this time, and to a very great extent, for the transportation of commodities between water-side places and places reached conveniently through these. Also, the potentiality of this character of competition remains even when boat transportation has receded to small proportions, and it serves to keep the rail rates depressed to the level to which they have been brought by the active competition.

(b) Market and Sectional Competition

A second factor of great importance in the development of the Southern rate structure has been that of competition between market and market or section and section. In reality, this form of competition is one between the railroads themselves, because in recognizing such each was developing its separate interests. The benefit, from the public's standpoint, was the expansion of trade competition. A carrier whose geographical location is such that it was interested in the handling of traffic from the East and which crosses a line whose location caused its main interest to lie in the movement of traffic from the Central West, would find that if it did not adjust its rates so as to enable the consumers and distributors at the crossing place to purchase supplies in the East, it would have very little traffic to move into the junction, and would have to be content with the revenue on local hauls from the junction of the commodities brought into the distributing point by the western line. Also, the natural jealousy existing between one producing or concentrating place or section and another place or section caused the producers and shippers therein to use constant pressure on the particular railroad or railroads serving them to yield the lowest rates they could secure, so that they might compete fairly or hold the trade at given destinations which were also served by carriers reaching other producing places and sections. Thus, while it was quite to the interest of the carriers to see that their rates were adjusted in a proper relationship between their direct or indirect competitive points and those of other railroads, they were not allowed to over-

look or forget these interests, because they were identical with those of their patrons.

Moreover, in the development of the rates under the influences just mentioned, there was the strong factor of active railroad competition in its truer meaning. In adjusting their rates to meet fairly the necessities of one market competing with another, there resulted naturally wide differences of opinion between the traffic managers, each seeking to promote the commercial interests of the particular section served by his railroad. Naturally, this caused demands for relative adjustments, to which opposing traffic managers would not agree. All of these things, in the course of time, became settled after numerous and destructive rate wars, mutual concessions and arbitrations. The concessions and arbitrations frequently had to be worked out on lower planes or measures of rates than doubtless would have been the case had any particular railroad or group of railroads been able to dominate the situation.

(c) Effects of Competition

The construction of railroad mileage during the period of the greatest development and settlement of the present-day structure was very rapid—much greater than was justified by the traffic then to be found. The struggle for any business that was being offered was of the keenest, as the very lives of the corporations depended upon getting all of the traffic that could be secured. Such a condition naturally tended against stability of rates and adjustments and lent itself readily to the two factors just spoken of, namely, (1) competition between waterways and railways and (2) competition between markets

and markets or sections and sections. Notwithstanding this, with the exception of a very few, every railroad corporation that existed prior to 1890 had gone through the bankruptcy courts one or more times.

(d) Long-Distance Rates

There were various other factors, important in the direct result but more or less local in their application, which become apparent in a detailed analysis of the present rates, such as the making of a lower rate than what might be termed a normal rate for a considerable haul, to enable a commodity to be marketed against a producer at the destination or much nearer the destination. In the case of the latter, the longer-haul rate is usually less, in proportion to distance or cost of handling, than the shorter rate. There is also the competition of one commodity with another that is of a similar nature. Numerous other examples of the kind might be cited.

(e) Competition with Northern Railroads

Another condition which had a strong bearing in determining the level of rates between points where the influence extended, was the strong trunk line railroads running between the East and West along the northern boundary of this territory and furnishing transportation at rates much below the level of those maintained in practically every other section of the country.²

² Chesapeake & Ohio Railway, Pennsylvania Railroad, Baltimore & Ohio Railroad, and Norfolk and Western Railway.

(f) Effects of Rate-Cutting

While, in the past, rate-cutting prevailed to some extent in the South, it was far less comprehensive than in other sections of the country. As a rule, it was confined to certain commodities and did not affect many places at a time; rarely did a railroad cut the rates on all of its competitive traffic. While such rate-cutting had an important effect on the business of other lines at the time, still the volume of the traffic affected, as compared with the total, was always small. The rate wars mentioned, or rate-cutting, have had their effect upon the rate structure of the South, but such effect has not been material, as compared with the other influences, in making the level of the rates lower in any particular section or between any places than it might otherwise have been.

3. MEASURE OF RATES

A word may be said with respect to the measure of the rates applying throughout the Southern Territory, both for local and competitive hauls and for the long as well as short distances. These rates, in comparison with those existing in Central Freight Association and Trunk Line territories and between those territories, appear very high. For similar distances, however, in the various sections west of the Mississippi River and particularly west of the Missouri River, the comparison is much more favorable to the lines in the South. The Southern railroads claim that, taken as a whole and considering the operating conditions and volume of traffic, the rates compare very favorably with those in any section of the country, including the North and East. An examination of

the results of operation as reported by these various railroads demonstrates that they cannot afford to operate generally any lower rates than those in use at the present time.

CHAPTER II

DEFINITIONS OF CERTAIN TRAFFIC TERMS AND TERRITORIAL DESCRIPTIONS

To facilitate a clearer understanding of succeeding statements, the following definitions and descriptions, which are commonly employed by Southern railroads in the technical work of rate construction and which more or less frequently appear in their tariffs, are given:

1. OHIO RIVER CROSSINGS

The Ohio River Crossings are cities through which the traffic of the North and West passes to and from the South, viz: Cincinnati, O., Covington, Newport, Louisville, Henderson, Paducah, and Columbus, Ky., Jeffersonville, New Albany, and Evansville, Ind., Brookport, Cairo, and Thebes, Ill., and Belmont, Mo. Most of these cities are located on the Ohio River. Thebes, Belmont, and Columbus, however, are, in fact, on the Mississippi River, but being in the geographical district of Cairo they take the same rates and are included in the category of the Ohio River Crossings.

2. MISSISSIPPI RIVER CROSSINGS

The Mississippi River Crossings are St. Louis, Mo., East St. Louis, Ill., Memphis, Tenn., Greenville and

Vicksburg, Miss., and New Orleans, La. The latter city is also classed as a Gulf port.

3. EASTERN CITIES

The Eastern Cities, so-called, are Boston, Mass., Providence, R. I., New York, N. Y., Philadelphia, Pa., and Baltimore, Md.

4. SEABOARD TERRITORY

Seaboard Territory generally embraces all points on and east of a line beginning at Toronto, Ont.; thence via the shore of Lake Ontario, Hamilton to Niagara; thence via Niagara River, including both banks of said river to Buffalo; thence via an imaginary line through Oil City, Pa., to Pittsburgh, Pa.; thence to Wheeling, W. Va.; thence via an imaginary line through Charleston, W. Va., to Bristol, Tenn.; and thence eastward via the southern boundary of the state of Virginia to the Atlantic Ocean. On certain traffic this territory does not include the Western Termini points.

5. SOUTH ATLANTIC PORTS

The South Atlantic Ports are Charleston, Beaufort, and Port Royal, S. C., Savannah and Brunswick, Ga., and Jacksonville and Fernandina, Fla.

6. GULF PORTS

The principal Gulf ports are New Orleans, La., Gulfport, Miss., Mobile, Ala., and Pensacola, Apalachicola, Tampa, and Key West, Fla.

(New Orleans is on the Mississippi River about 100 miles from its mouth. It is, however, near the head of navigation for deep-sea vessels and is ordinarily classed as a Gulf port as well as, as is indicated above, a Mississippi River Crossing.)

7. POTOMAC GATEWAYS

The Potomac Gateways are Alexandria, Va., Hagerstown, Md., Potomac Yards, Va., Shenandoah Junction, W. Va., Strasburg Junction, Va., and Washington, D. C.

8. VIRGINIA CITIES

The Virginia Cities, so-called, are Basic, Bothwell, Burkeville, Charlottesville, Clifton Forge, Gordonsville, Hampton, Lexington, Lynchburg, Newport News, Norfolk, Orange, Petersburg, Phoebus, Portsmouth, Richmond, Roanoke, Staunton, Suffolk, and Waynesboro, Va.

9. SOUTHEASTERN TERRITORY

The Southeastern Territory, as that term is technically used in rate construction, is that great section lying east of the main line of the Mobile & Ohio Railroad from Corinth, Miss., to Mobile, Ala., and on and south of the Memphis Division of the Southern Railway from Corinth, Miss., to Chattanooga, Tenn., and on and south of a line drawn from Chattanooga, Tenn., through Cleveland, Tenn., Murphy, N. C., and Walhalla, Greenwood, and Columbia, S. C., to Wilmington, N. C. (The term "Southeastern Territory" is often used to refer to what is the proper geographical description of a sec-

tion of the United States—that is, the whole of the territory under discussion lying south of the Ohio and Potomac rivers and east of the Mississippi River. Such reference is improper when dealing with what is termed “the Southeastern rate adjustment.”)

For rate-making purposes the carriers interested make a technical sub-division of this territory into two groups, namely, “Atlanta Sub-Territory” and “Montgomery Sub-Territory.” The peculiar distinction is only in that to the Montgomery Sub-Territory the rates from Cincinnati and points taking same rates are higher than from Louisville and Ohio River Crossings below, whereas to Atlanta Sub-Territory the rates from all of the Ohio River Crossings are the same.

10. CAROLINA TERRITORY

The Carolina Territory includes territory within the following described boundaries:

(1) On, north, and east of the line from Wilmington, N. C. (including Wilmington), via W. C. & A. Division of the Atlantic Coast Line, to Columbia, S. C.; thence via the Southern Railway and Blue Ridge Railroad through Alston, Newberry, Greenwood, Abbeville, Belton, Anderson, and Seneca, S. C., to Walhalla, S. C.; thence via an imaginary line from Walhalla through Murphy, N. C., to Cleveland, Tenn. (including Cleveland); and thence via the Southern Railway from Cleveland to Chattanooga, Tenn. (not including Chattanooga).

The northern boundary is the main line of the Norfolk and Western Railway from Norfolk, Va., to Bristol, Tenn. The western boundary is the North Carolina-Tennessee state line to a point east of Cleveland, Tenn. A portion

of East Tennessee (see Atlas) for the purpose only of adjusting the rates as between Ohio River Crossings and points related thereto to destinations in East Tennessee, is included as being in Carolina Territory.

(2) On, east, and south of a line drawn from Cleveland, Tenn., via the Southern Railway through Athens and Knoxville to Bristol (including Bristol and including also points on the K. & O. Division of the Southern Railway between Knoxville and Jellico, not including Jellico); and thence via a line drawn just south of the main line of the Norfolk and Western Railway, from Bristol, Tenn., to a point just south of Norfolk, Va.

11. MISSISSIPPI VALLEY TERRITORY

The Mississippi Valley Territory includes territory within the following described boundaries:

(1) On and east of the east bank of the Mississippi River south of Cairo (but including Helena, Ark., and Vidalia, La., on the west bank).

(2) South of the Ohio River from Cairo to Paducah (not including Cairo or any point on the Ohio River).

(3) On and west of the line from Paducah, Ky. (not including Paducah), via the M. & P. Division of the Nashville, Chattanooga & St. Louis Railway to Paris, Tenn.; thence via the Louisville & Nashville Railroad through McKenzie to Milan, Tenn.; thence via the Illinois Central Railroad to Jackson, Tenn.; and thence via the Mobile & Ohio Railroad through Meridian, Miss., to Mobile, Ala. (including Aberdeen and Columbus, Miss.).

12. KENTUCKY-TENNESSEE TERRITORY

The boundaries of the Kentucky-Tennessee Territory are as follows: On the east by the lines of the Louisville & Nashville Railroad in Kentucky and the Southern Railway in Tennessee; on the south by the northern boundary of Southeastern Territory; on the west by the eastern boundary of Mississippi Valley Territory; and on the north by the Ohio River.

CHAPTER III

THE SOUTHERN BASING-POINT SYSTEM

1. THE HISTORY

This system has a history which has its beginning with the construction of the first railroad in the South. It has grown with the development of the railroad systems and is a part of the warp and woof of the rate structure. It cannot be understood except in the light of a knowledge of the geography of this section of our country, and it cannot be appreciated without at least some knowledge of the history of the development of the railroads and of the boat lines by which this system has been brought to its present status, for "the roots of the present are deep in the past, and nothing is dead to the man who will learn from the past how the present came to be what it is."

This system of rate-making has grown and expanded from the freight charges applied over a single line of railway only 135 miles in length to a vast body of rates contained in thousands of printed tariff schedules and applied over nearly 30,000 miles of railway. The great natural highways of commerce on the north, east, south, and west make, in effect, almost an island of the territory under discussion. These natural means of transportation, permitting it to be reached by the outside world at nearly every point on its borders and aided by the many navigable streams by which it is pierced, furnished a

means of transportation to the pioneers of the region long before railroads were built; that is, trade centers existed and trade routes were established years prior to the time when railroads became a means of transportation.

(a) First Basing-Points

Prior to the beginning of railway construction in the South, the trade centers and distributing points were located on the Atlantic and Gulf coasts and on the navigable waterways. Naturally the dominating markets were those cities or towns located along the seaboard and at or near the mouths of the navigable rivers; it was those places that commanded the entire trade of the developing territory. Such were Norfolk and Richmond, Va., on the James River; Wilmington, N. C., at the mouth of the Cape Fear River; Georgetown, S. C., at the mouth of the Pedee River; Charleston, S. C., located at a point where it could use the Santee River, the Pedee River, or the Savannah River; Savannah, Ga., at the mouth of the river of that name; Brunswick, Ga., commanding the Altamaha and Ocmulgee trade; Apalachicola, Fla., commanding the trade of southern Georgia and Alabama by means of the Chattahoochee and Flint rivers; Mobile, Ala., controlling the trade of the greater portion of Alabama and parts of Mississippi and vying with Apalachicola for the trade in southern Alabama; and New Orleans, La., near the mouth of the Mississippi River, having a vast territory open to her by means of the Mississippi River and its tributaries.

Trade centers through which vast areas secured their supplies and from which trade routes radiated in all directions were on the navigable rivers leading from the

trade controlling centers just mentioned, usually at the head of navigation. Such places were Fayetteville, N. C., Cheraw and Columbia, S. C., Augusta, Macon, Albany, and Columbus, Ga., Montgomery, Ala., Jackson, Miss., etc. On the north and west there were places like Cincinnati and Louisville on the Ohio River and Memphis and Vicksburg on the Mississippi River, which were not only controlling centers but distributing points as well, and which drew from sources by means of wagon over the mountains to Pittsburgh and thence by boat, down the Ohio, or by sea and thence up the Mississippi River. These were also primary markets in the sense that they were gathering points of the food products of considerable areas in the Central West. There were minor trade centers up the tributaries of the Ohio and Mississippi rivers, such as Nashville and Clarksville, Tenn.

Naturally, there was great rivalry between these centers of trade control in reaching the interior distributing centers. Savannah, Ga., distributed her merchandise to the interior in competition with Charleston, S. C., and Brunswick, Ga. All of them reached as far as they could, overcoming natural disadvantages as best they might. Charleston reached west of the Savannah River, using all overland routes against Savannah's advantage of a part-water route. Originally, these places in the interior were more on the order of trading posts than distributing centers, in the modern sense of the word, but as their trade grew they not only continued to deal with the dominating centers along the seaboard, but reached out past them to secure their supplies directly from primary markets. Thus, gradually, they came directly into competition with the more favorably situated places which had theretofore dominated

their trade. In time, for example, Augusta, Ga., which originally was in a great degree dependent on Savannah and Charleston, became a competitor, as well as a patron, of those places. It takes little imagination to realize how, even prior to railroad construction, these coastal and interior towns declined to remain content with the trade each in its immediate section, but, reaching out, struggled for that of the other.

In 1830, in addition to the markets and trade distributing centers referred to, there were others of less importance doing a greater or less distributing business in the sections tributary to them, respectively. Such centers were Milledgeville, Ga., at the head of navigation on the Oconee River; Eufaula, Ala., and Fort Gaines, Ga., on the Chattahoochee River; Rome, Ga., on the Coosa River; Selma, Ala., on the Alabama River; Chattanooga and Knoxville, Tenn., on the Tennessee River; Frankfort, Ky., on the Kentucky River; and Bowling Green, Ky., on the Barren River. There were, too, trading posts advantageously located, usually in some section that was settling up and on routes which offered comparatively easy means of transportation.

(b) Construction of Railroads

The earlier railroad construction was all determined upon to enable the market points to reach into a developing territory to compete therein more successfully with other places having greater natural advantages. The construction, naturally, was to connect places which had trade and which afforded a traffic at the outset. Thus we witness Charleston, S. C., promoting a railroad to Hamburg, S. C. (immediately across the river from

Augusta, Ga.), to enable it to divert from Savannah a greater share of the business done at and through Augusta; this railroad, which was the third in the United States, and, at the time, the longest in the world, was completed in 1833.

Of course, having the advantage of an easy use of a natural highway to Augusta, Ga., the people of Savannah devoted their energies rather to removing their own disadvantage, and, in 1833, began the construction of a railroad from Savannah to Macon, enabling them to compete on more equal terms with those who were using the Altamaha and Ocmulgee rivers; this line was completed in 1845.

The success of the earlier railroads constructed, both in this country and in Europe, turned the attention of the people in the Southern States to the development of artificial highways. In the first instance, as has been indicated, the construction of railways was in every case undertaken for the purpose of reaching some navigable river within or near the borders of a single state, of connecting navigable rivers, of connecting places on different navigable rivers, or of building from the river towns into the interior. While the beginning of railroad planning dated from 1828, it was not until 1836 that the daring suggestion of a possibility of constructing great trunk lines across the territory of the several states was entertained in the South. It was many years, however, before any line that even approached the modern meaning of the term "trunk line" was actually constructed.

In 1834 the state of Georgia commenced the construction of a railroad from the Tennessee River at Chattanooga, Tenn., which was to form a connection near

Decatur, Ga., with a railroad which was building westward from Augusta, Ga., to meet it; the meeting point of these two railroads is now the city of Atlanta, Ga. About the time these were completed, the people at Savannah and Macon, Ga., extended their road also to form a connection with the two just mentioned. The idea in this construction was to enable western products to be drawn up the Tennessee River for distribution by rail, and thus avoid the more tedious and expensive transportation of such via the Atlantic seaboard or down the Mississippi River, and also to distribute the products of the North Atlantic seaboard and Europe into northern Alabama, Georgia, Tennessee, and Kentucky as against the older route down the Ohio River from Pittsburgh, Pa. This project was aided by the completion in 1844 of the 43-mile railroad from Tuscumbia, Ala., to Decatur, Ala., around the Mussel Shoals in the Tennessee River, which were an obstruction, except at certain seasons, to successful navigation of the Tennessee River as far as Chattanooga. About 1852 a road was completed between Nashville and Chattanooga, Tenn., thus affording still more easy means of transportation of western products by combined water and rail routes into the Southeast. Practically at the same time, a railroad was completed northeastwardly from Montgomery, at the head of navigation on the Alabama River, and when completed to Atlanta, afforded a more successful means of transportation from the lower Mississippi Valley into Georgia and the Carolinas than theretofore existed around Florida. About the same time was constructed a railroad from Knoxville, Tenn., at the head of navigation on the Tennessee River, to Bristol, Tenn., and railroads radiating northwestwardly from Columbia, S. C., gave that place the com-

mand of the trade in northern and western South Carolina and the southern and western portions of North Carolina.

(c) Early Tariffs

In the beginning, the railroads planned their tariffs a good deal like those they found being used by the steamboats; that is, some rates were made per package or per article, and others on a weight basis; but the rail lines, recognizing that they could not exist on the actual water charges per unit of distance, measured their figures on a materially higher plane. We find, however, at the beginning, the railroads were compelled to lower their tariffs considerably between the points of actual competition with the water carriers. Thus began the first variation from the present-day long-and-short-haul principle as embodied in the Fourth Section of the Interstate Commerce Act. In his annual report to the stockholders for the year 1844, President Cuyler, of the Central of Georgia Railway, bewailed the fact that he was forced to make material reductions in his rates between Savannah and Macon on account of the very active boat competition, and he further deplored the fact that the shippers at intermediate points had made complaints because he had made these reduced rates between Savannah and Macon without reducing the rates between Savannah and intermediate points. It is evident that President Cuyler felt very keenly the injustice of these complaints, and in his report he set forth the reason and justification for his course, from which is quoted the following:

The subject of rates for freight has engaged the earnest

attention of the Board of Directors, and during the past week it was determined that the rate should be reduced on the main body of articles transported, generally 25 per cent.

I submit to you a table of these new rates, and beg leave to offer a few remarks on this point. It cannot have escaped your observation that complaints have been made in relation to the proportion which way freights—freights to intermediate stations, bear at times to the through rates. At Macon and Savannah, the termini of our road, there has been strong competition in the transportation business. The experience of the past winter has proven the necessity of reducing the through rates of freight to a very low point when navigation was good.

When the road shall, by reason of low river, be the only means of conveyance to Macon, the rates can be carried to the maximum point indicated in the table for up goods, and to a profitable standard for cotton.

This sliding scale of rates, at the termini of the road, is imposed on the company as a matter of necessity. In establishing the way rates, which are intended to be permanent, we have sought to carry goods and produce, for the planter or trader, at a rate below any other means of conveyance to and from his door; thus making it his interest to use our road. If, in the experience of the company, hereafter, it shall be found that goods and produce can be transported with fair profits, at a rate still lower than the now established rate, then sound policy will dictate the propriety of coming down, in the reasonable expectation that there will be an increase of business. You will perceive that the freights on salt, bar iron, and agricultural implements have been reduced in greater proportion than on any other goods which go by weight.

The idea that injustice is done to the traders and planters of the intermediate country, when we reduce our through rates without a corresponding reduction of way rates, is fallacious. The necessity imposed on us by nature in the one case does not exist in the other, and it should not be forgotten that if, on a very low scale to Macon, there should be a corresponding fall in rates through the whole line, the rates would not pay us for the expense of transportation, and then, as no work of

this kind can ever succeed and be permanent without profit to the stockholders, the traders and planters of the interior might lose what they now have—a cheap means of transportation. The Board of Directors seeks to have the freights so high as to be profitable to the stockholders, and so low as to make it the obvious interest of the public to give the road their business, and it believes that the present table of rates is established on that basis. It should be borne in mind, moreover, that the operations of a road so extended as this—its effect upon the country to which it is tributary, and the effect of that country upon the road itself—are matters not to be known intuitively, but to be learned by nice observation and through experience. We are even yet in our infancy, but progressing I trust to that state in which the invitations of sound knowledge, heartily welcomed, will lead not only to our own success, but also to the public.

In the same way, we find that the South Carolina Railroad early found that the merchants at Charleston, S. C., could not compete at Augusta, Ga., against the cheaper transportation afforded the Savannah merchants in shipping to Augusta, unless it materially reduced its tariff between Charleston and Augusta. The records show a great number of instances, prior to the beginning of the active construction of the existing rate fabric, where, to meet competition—principally water competition—single lines made reductions of considerable amounts in their distance or local tariffs between the places of active competition, but there are no instances where, at that time, two or more lines made any joint rates below the combination of their several rates, either because of competition or other conditions.

As a matter of fact, with the beginning of the operation of these railways and continuing with few exceptions until the renewal of railroad activities following the Civil

War, joint transportation charges over two or more lines were made by adding the separate charges of the carriers involved. If a shipment was made from New York, via Charleston, to some point on the Charleston Railroad, the boat line bringing the freight to Charleston exacted its rate thereto the same as it assessed on business to Charleston proper, and the railroad carrying the freight from Charleston to destination exacted its local rate from Charleston; thus Charleston became a basing point for rates from New York and other places, through Charleston, to destinations between Charleston and Augusta, as well as to Augusta. If a shipment was made from Charleston to a point on the Georgia Railroad between Augusta and Atlanta, each line exacted its full local charges for the carriage of the freight; thus, Augusta became a basing point for rates to points between Augusta and Atlanta. In like manner, Atlanta, being a point for interchange of freight between the Georgia Railroad and the Western & Atlantic Railroad, became a basing point for rates on freight from points east thereof to destinations west. These examples in number were equal to the number of terminal points of the railroads in operation.

(d) Joint Rates and Through Routes

While there was some recognition given to the commercial necessities and best interests of the interested carriers in the making of joint rates for the purpose of developing traffic or of enabling it to move from a place or section which was not, at the time, a factor in a given trade, the expediency and wisdom of such action was not fully recognized until following the Civil War, which marked the real beginning of joint rates and through

routes, which were made to meet the circumstances and conditions that might be found at each destination, or those of a particular line of traffic. It was during the period from 1868 to 1890 that the Southern rate fabric, as it now stands, may be said to have been completely constructed. This statement does not mean that the figures as they were made during this period have necessarily been continued. There have been many changes, both in the figures and by the substitution of lower relative rates to many destinations which, during that period, were not considered basing points, but which are now handled as such.

At the beginning of this period, as has been stated, railroad managers began to recognize that the interests of the places and sections served by them and the interests of their railroads were mutual, and that these interests could be better advanced by getting away from their old idea that each road was a local entity and by making such rates as would be necessary to induce the opening of all possible avenues of trade at rates necessary to move the traffic, each carrier securing the greatest share possible at the most favorable rates. It was recognized that at a local station all that was necessary was a system of through rates, but that it was not necessary for the terminal line to abate its charges, for the traffic would move in the greatest possible volume to that local station on the basis of local rates, insofar as the terminal line was concerned. If, however, the Western & Atlantic Railroad, being interested in the traffic from the West to Atlanta, but not from the South Atlantic Coast or from the East thereto, desired to participate in traffic being drawn by Atlanta, it had to be careful to see that its own rates and connections from the West to Atlanta were

properly adjusted as against the rates from other sources of supply. Similarly did the Georgia Railroad, which had no interest in the movement of business from the West to Atlanta, but only from the East or from the coast points, have to watch to see that there were no rate inequalities which would prevent it from doing a fair share of Atlanta's traffic. When it came to Augusta's business, the situation as to the Georgia Railroad was reversed; that is, its interest lay in the movement of business from the West and not from the East. The merchants at Atlanta and Augusta, being interested in securing the widest possible range of markets of supply, brought every possible influence to bear to secure, not what was a proper equality in their respective rates, but to get all the advantages they could, each over the other and over other competing towns. While at a local station on the Georgia Railroad midway between Atlanta and Augusta traffic could and did successfully move on the basis of the local charges of the Georgia Railroad, from either Atlanta or Augusta, as the case might be, plus the lowest rates that could be secured up to Atlanta or Augusta, there was no incentive for the Georgia Railroad to make any reductions.

Naturally, the keenness of the competition between the sources of supply, coupled with the jealous activities of the interested carriers, brought about very low rates from the West to Augusta, producing from the West very little higher rates than to Atlanta. In the reverse direction, Augusta's rates naturally were somewhat lower than those to Atlanta, but the differences represented very materially lower figures than the local rates between the two places.

2. COMMON POINTS AND BASING POINTS

(a) Description

Terms used in describing places in the South which have these competitive adjustments are "common points" and "basing points"; often these terms are employed interchangeably.

Literally, a common point is a place served by two or more common carriers—rail or water, or both. In most cases the rates for other than shorter hauls to these places are below either the sums of the rates of the individual carriers forming through routes or the local scales of a single line; frequently even the shorter-haul rates are similarly lower than such maximums, due principally to the working of relative adjustments between points of origin. There is, however, to be found a considerable number of junction points, the rates to which from various points of origin are made on a combination or local tariff basis or reach figures approximating such bases. A common point is not necessarily a basing point, as there are junctions the rates to which are not sufficiently low, as compared with those to other junctions in the same section, to figure in making total rates to adjacent local stations.

A basing point is literally a place on which through rates to other points are calculated either on a combination or a differential basis; the rates to the basing points, for other than the shortest or local hauls, are invariably less than the sums of the rates of each interested line, where the transportation is over two or more lines, or the local scales of a single line; and, as is apparent from previous statements, there are no basing points

except at the intersection of railroads, of water routes, or of a railroad and a navigable body of water.

To other than the common points, through rates are made by the addition of the local rates of the terminal line to the rates to the adjacent basing points on such line, the resulting lowest combination being the figures employed. There are variations from this principle of constructing rates to the non-competitive destinations: (1) A line having a single haul does not exceed, in any case, its tariffs of distance or local rates; and (2) from the East to a considerable portion of the Carolina territory, and both from the East and the West to a certain portion of South Georgia, through rates are made on differentials higher than to the adjacent basing points, which, of course, serve to produce lower through rates than would exist by the application of the lowest combination principle.

(b) Lists of Common and Basing Points

The basing points in the South may be separated into two classes—those that are so-called natural basing points, and those created by the operation of conditions among the railroads themselves. The first, as will readily be understood, are those such as Augusta and Macon, Ga., Montgomery, Ala., Nashville, Tenn., and the like, which were basing points prior to the existence of the railroads, due to the availability of water navigation. In these cases, transportation charges from the sources of supply to points beyond the basing points were made by the addition of the water transportation charges thereto, to the wagoning or packing charges beyond. The artificial basing points—if such a term may be properly em-

ployed—are places such as Atlanta, Ga., Birmingham, Ala., and Meridian, Miss., where the competition as between the railroads gradually brought about lessening relative rates as compared with other places in the immediate territory.

At the present time the basing points employed in the southeastern rate construction are as follows:

(a) Natural Basing Points

Albany	Ga.	Fort Gaines	Ga.
Apalachicola	Fla.	Gadsden	Ala.
Attalla	Ala.	Hawkinsville	Ga.
Augusta	Ga.	Jacksonville	Fla.
Bainbridge	Ga.	Knoxville	Tenn.
Beaufort	S. C.	Macon	Ga.
Brunswick	Ga.	Milledgeville	Ga.
Charleston	S. C.	Montgomery	Ala.
Chattanooga	Tenn.	Palatka	Fla.
Columbia	S. C.	River Junction	Fla.
Columbia	Ala.	Rome	Ga.
Columbus	Ga.	Savannah	Ga.
Demopolis	Ala.	Selma	Ala.
Dublin	Ga.		

(b) Artificial Basing Points

Americus	Ga.	Fitzgerald	Ga.
Aniston	Ala.	Fort Valley	Ga.
Athens	Ga.	Gainesville	Ga.
Atlanta	Ga.	Greenville	Fla.
Athens	Tenn.	Harriman	Tenn.
Barclay	Ala.	Jacksonville	Ala.
Bessemer	Ala.	Johnson City	Tenn.
Birmingham	Ala.	Jellico	Tenn.
Bristol	Tenn.	La Grange	Ga.
Calera	Ala.	Montezuma	Ga.
Cartersville	Ga.	Moultrie	Ga.
Cedartown	Ga.	Newnan	Ga.
Cordele	Ga.	Newport	Tenn.
Dalton	Ga.	Opelika	Ala.
Dawson	Ga.	Piedmont	Ala.

Pitts	Ga.	Vienna	Ga.
Quitman	Ga.	Washington	Ga.
Roanoke	Ala.	Waycross	Ga.
Tallahassee	Fla.	Wellington	Ala.
Thomasville	Ga.	West Point	Ga.
Tifton	Ga.	Worth	Ga.
Valdosta	Ga.		

Those used in constructing rates to destinations in Carolina territory are:

Athens	Ga.	Norfolk	Va.
Atlanta	Ga.	Paint Rock	N. C.
Augusta	Ga.	Petersburg	Va.
Burkeville	Va.	Richmond	Va.
Charleston	S. C.	Roanoke	Va.
Columbia	S. C.	St. Paul	Va.
Johnson City	Tenn.	Suffolk	Va.
Kilby	Va.		

Those used in making of through rates to points in the Mississippi Valley Territory are:

Aberdeen	Miss.	Martin	Tenn.
Brookhaven	Miss.	Memphis	Tenn.
Columbus	Miss.	Meridian	Miss.
Corinth	Miss.	Milan	Tenn.
Ellisville	Miss.	Mobile	Ala.
Gibbs	Tenn.	Natchez	Miss.
Grand Junction	Tenn.	New Albany	Miss.
Greenville	Miss.	New Orleans	La.
Greenwood	Miss.	Newton	Miss.
Gulfport	Miss.	Paris	Tenn.
Hattiesburg	Miss.	Rivers	Tenn.
Holly Springs	Miss.	Starkville	Miss.
Humboldt	Tenn.	Tupelo	Miss.
Jackson	Miss.	Union City	Tenn.
Jackson	Tenn.	Vicksburg	Miss.
Laurel	Miss.	West Point	Miss.
Lumberton	Miss.	Winona	Miss.
McKenzie	Tenn.	Yazoo City	Miss.

In the making of through rates to points in Kentucky-Tennessee Territory, practically every junction is considered as a basing point, although many of the hauls are so short that the various local scales often fix the rates.

(c) Development of the Common Points

During the long period of settlement prior to the year 1828, which marked the beginning of plans for railroad construction in this territory, the principal industry was the production of cotton. There were substantially no manufactures of any kind which were intended to supply other than an immediate local demand. The main food supplies of the Southeast were, of course, produced and exchanged between producers and consumers in its various different sections. The people, however, were dependent for a great many articles of necessity or comparative luxury, such as manufactured and prepared food articles, textiles, farm and household supplies, etc., on the North Atlantic seaboard and foreign countries, although a gradual modification of this condition continued until after the Civil War. About 1870 began a change, and while the South today is not to be compared with the northern and eastern states in point of production and manufacture of commodities, it has made rapid strides toward the final point of being self-sustained, that is, substantially independent of other sections as concerns all commodities of common use.

In this earlier period the dominating cities which did a jobbing or wholesaling business and which were primary markets in the sense that it was through them that the products of the outside world used in the South were

concentrated and distributed, were those on or near the outer borders of the territory—Baltimore, Richmond, Norfolk, Wilmington, Charleston, Savannah, Brunswick, Mobile, New Orleans, Memphis, St. Louis, and Louisville. These cities, besides being the main sources from which the interior towns drew their supplies, competed with the interior places in making final distribution to the trading posts and countryside.

Attention has been drawn to the fact that the first railroads were built through settled sections, or at least between settled sections, for only in these was there any traffic in sight. The guiding reason, however, was the extension of the means of competition, one city with another, and the first result was the connection of the waterways and of what has been termed the natural basing points. The so-called artificial basing points are the outgrowth of subsequent development of the thinly settled sections, these points being logical centers from the standpoint of natural and railroad geography and their rates being fixed by prime considerations, all of which may be included in the list of the considerations producing the rates at the natural basing points, save the important one of water competition, although the latter may have indirectly been an influence, as will be hereinafter explained. The cities and towns of original importance in commercial affairs have already been named and need not be again mentioned. Those others which are included in the lists of present-day basing points are all of subsequent growth, some of them of comparatively recent origin, indeed, some not having a civic existence beyond a quarter of a century.

Some of these common points have been given that standing and their low comparative rates in the interest,

primarily, of a particular line of railroad reaching them. Such self-serving is in reality a form of railroad competition. In most instances, however, the accession of each town to the dignity of a common point was through force of circumstances quite beyond the control of any individual railroad; there was invariably some form of compelling competition to be found at these places which brought about the competition in rate-making. In some instances, the strength of these compulsory conditions has not increased, hence the relationship of rates of those places with the rates of others has not substantially altered. In other instances, added forces have brought the rates to the particular places affected to a lower relative plane, as compared with competing centers, than previously existed.

It has been said that the real beginning of the present-day rate fabric was only a little over forty years ago. It will be interesting, in this connection, to give some study to the appended map showing the railroad lines that were in existence in the Southern States in 1870, and which shows also the principal inland navigable waters. By comparing this map with the latest one, the tremendous increase in the railroad mileage will be apparent, as will also the increase in the number of common points which are the principal jobbing points today.

We have now gone over the various elements which have been in control of the rate-making to these places, but for the purpose of illustrating how the more important basing points procured their position as such, these will be briefly touched on again.



3. COMPETITION IN RATE-MAKING

The following factors in rate-making in Southern Territory are the most important, and they will be treated individually.

(a) Direct competition of rival routes.

(b) Furtherance of an individual carrier's direct interest.

(c) Competition between the different markets.

(d) Competition between the southern common and competitive points.

(e) Direct water competition.

(f) Indirect water competition.

(g) Legal requirements.

It will be noted that, with the exception of the last one, these factors have been in effect to some extent from the time that traffic began to develop in this territory. The Interstate Commerce Law has introduced a very important factor that in many cases modified the other factors.

(a) *Direct Competition of Rival Routes*

The direct competition of rival routes from the same points or adjacent sections of origin to the same destinations, illustrated by those instances where some one terminal line has independently established a lower scale of rates than theretofore existed, and other roads reaching these towns have been compelled to apply the same rates or lose the traffic. When the line of what is now the Seaboard Air Line between Montgomery and Savannah was completed to a point near Savannah, there existed along the new route no place of commercial strength. The result was that on inbound business the

railroad enjoyed but a single local haul from Savannah at the one end or from Montgomery at the other, each of which drew its supplies from original sources over rival lines. After inducing one of its connections from the Ohio River to establish a competitive basis of division of rates to Americus, it enjoyed an inbound as well as an outbound haul; the other Americus railroad was forced to lower its rates to avoid loss of traffic. The town of Opelika, struggling to increase the scope of its trade against Columbus, Atlanta, and Montgomery, brought pressure to bear upon its lines, as a result of which one of the lines reduced the rates from the Ohio River to the Columbus basis; the rival line necessarily had to meet the new adjustment. A further example is seen in the rates from Eastern Cities to LaGrange, Ga.; enterprise at this place had developed some jobbing business, but it was meeting with difficulty in competing with Atlanta, Opelika, Macon, etc. The merchants were able to induce the Atlanta, Birmingham & Atlantic Railroad to level its rates from New York, in connection with a steamer line which the railroad controlled, to the same as were in effect to Atlanta. This gave the Atlanta, Birmingham & Atlantic Railroad an opportunity to share in the traffic for distribution, which would otherwise have been handled to one of the three cities named.

The completion of the Gulf & Ship Island Railroad forced a reduction in the rates to and from Gulfport, Miss., to an equal basis with New Orleans, thus giving Gulfport an opportunity to job in the territory theretofore supplied by the other two cities named and by Jackson and Meridian, Miss.; to share in the traffic, other lines had to meet the new rates. The some consideration brought about the adjustments to Dawson, Cartersville,

Cedartown, Athens, and Newnan, Ga., as well as to some of the other basing points.

(b) *Furtherance of an Individual Carrier's Direct Interest*

It is difficult to separate this element from the one immediately before referred to, for, inevitably, in the examples just given, there is the development of the direct interest of the carrier inaugurating the change, but in the cases of each of the towns referred to the object was to create a jobbing business where none or very little had previously existed. Under this second head are given examples of readjustments to places which had, at the time of such changes, an established jobbing business under competitive rates, and it is difficult to see that the scope of influence of the places affected was materially increased.

Prior to the construction of the Kansas City, Memphis & Birmingham Railroad from Memphis, Tenn., to Birmingham, Ala., the rates between those places were substantially the same as between Memphis and Montgomery, Ala. The new railroad immediately reduced the rates to place Birmingham on a lower plane as compared with Montgomery, and on a better relative plane as compared with Chattanooga. While the adjustment to New Orleans from the Central West was fixed by water competition, which did not exist in nearly so great a degree at Mobile, the Mobile & Ohio Railroad, to the extent of its ability to control the adjustment, forced a reduction to Mobile to the New Orleans basis. Prior to that time the rates at Mobile, as at New Orleans, had been measured by the force of conditions found at that point. What has

just been said in the case of Mobile may also be said of Pensacola, Fla., which the Louisville and Nashville Railroad subsequently placed on the Mobile basis.

(c) Competition Between Different Markets

The competition between the different markets of sale, production, or concentration, in the East, North, and West, in connection with the various competing carriers serving these rival markets and all engaged in continuous strife to further the sale and secure the transportation of goods to the common Southern markets. The principal example of the effect of this kind of competition will be seen in the future statement of relative adjustment of rates from Ohio and Mississippi river crossings and from the East to certain portions of the Southern Territory, more particularly the Southeast. The jealousy of the particular lines and groups of lines of disturbances of rate conditions under this relationship which has hardened into concrete shape, is such that it is almost a certainty that should a rate from the East on a certain article of common production in the East and the West be changed to any destination in the Southeast, it will be followed by a corresponding reduction in the rates from the Ohio River, and vice versa. Similarly, has the rate relationship between the Southern common points become so fixed that a rate from the East or West, or both, to a single destination, cannot be reduced except there follows a readjustment to include the other cities. Similarly, are the rates from any one of the Ohio River Crossings hinged upon the others and from the Mississippi River Crossings upon those from the Ohio River. Changes from the Mississippi River affect the Gulf ports. The adjust-

ment from the South Atlantic ports has a great degree of relationship with the rates from Eastern Cities and Virginia Cities and the Gulf ports. The rates from the Virginia cities are forced down with every reduction from Eastern Cities. This relationship does not stop at the border of the territory, however, as changes from the border frequently are followed by reductions between the interior cities, and invariably so when the commodity affected is of more or less common production. If the Illinois Central Railroad lowers the plane of rates from Cairo and St. Louis to junction points on its line in the Mississippi Valley, the lines leading from other Ohio River Crossings, from Nashville, Chattanooga, Birmingham, Atlanta, etc., protect the interests served by them by making corresponding reductions. This form of competition has been one of the main factors in determining the measure of rates that exist at every common point in the Southern Territory. Water competition may have been the factor in establishing the rates to a given point from some one or more points of origin, but the rivalry of other markets with the market so favorably situated has brought this other factor into play.

(d) Competition Between Southern Common and Competitive Points

The competition between the Southern common and competitive points for the trade of the intermediate local territory in connection with the different carriers reaching and serving these common points is an element which has joined with the previous ones in determining the measure of rates to each of the contiguous cities and includes a good deal of the factor of individual railroad

interest described above. While so involved, it nevertheless arises from the demands of the particular cities affected and their ability to enforce their demands by one means or another. There is a constant pressure from every city to procure as low relative rates as it can make the railroads serving it yield—at least as low as its rival cities, but, if possible, such as will give it an advantage over its rivals. This pressure is reflected in nearly every basing-point adjustment. In 1904-5 the city of Atlanta undertook to force a lower plane of rates from the Ohio River as compared with the rates to Birmingham. It was able to secure some lowering in the level, but not to the extent demanded. Birmingham, at the present time, is demanding a certain lowering of its level of rates as compared with those to Atlanta. The individual interests of a single carrier are not nearly so extensive as to be wholly within this factor, for the simple reason that most of the carriers have many communities to serve and they cannot, under the existing law, in their own interest develop, by an unfair lowering of rates, a given place served by them, while ignoring the demands of the various other places served by them.

(e) *Direct Water Competition*

The elements dealt with in the preceding paragraphs are not at all unique; they are existent in all of the rate structures throughout the United States. Nor is the one of water competition peculiar to the South, but, in this territory, it is the fixed and guiding factor upon which was founded the entire rate structure. Direct water competition enters into some of the adjustments only, but it is reflected throughout practically the whole of them, and

in their final analysis we inevitably return to water competition between some two places as determining the measure of the rail rates between other places.

The water-and-rail rates from Eastern Cities to Augusta approximate the combined water rates via Savannah and the Savannah River, when insurance, transfer costs, difference in the value of service, and other incidents of the water rates are considered. The through water-and-rail rates from the East to Atlanta were originally about equivalent to the combination of water rates to Savannah, plus the Georgia Commission's rates thence to destination. The through water-and-rail rates from the East to Macon were made taking into account the water rates available via the Altamaha River, and similarly were the direct water-and-rail rates from the East to all points on these inland waterways made. To the interior points the direct water-and-rail rates may not exceed the combination of the vessel rates to the ports, plus the established rail rates to destination. It may be said here in passing, that the long-and-short-haul principle has no standing in the administration of railroad rates by the commissions either of Georgia or Alabama, both of which frequently make rates between common points lower than to intermediate points.

Water competition having measured the rates, the other elements which have been referred to come into play. The all-rail rates from the East must necessarily be restricted to comparatively small differences (representing value of service) higher than the direct water-and-rail-route rates. If the western markets are to do a share of the business at those basing points whose rates from eastern markets have been fixed by the water routes,

they must be adjusted on a correspondingly low plane. If Atlanta is to do a share of the trade as against Augusta, her rates from the East must not be materially higher than the corresponding ones to Augusta, and the rates from the West must not be too great as compared with those from the East. A railroad serving Birmingham, but not Atlanta, has its interests necessarily centered in Birmingham and feels obligated to do all it can to further Birmingham's trade as against Atlanta's.

It has been previously shown how the rates at the Coast and Gulf cities and on the navigable waterways leading from these cities have been fixed, so far as the rates from the East are concerned, by the direct water competition. It will be interesting to note some of the instances where the same force has worked between inland cities served by navigable rivers. The main element fixing rates between points on the Mississippi River was, of course, the boat service on that river, although other influences helped to fix the measure of some of the rates. In the adjustment from St. Louis to cities south of Memphis, including New Orleans, reached by the rail lines, we have an evidence of the custom of the river carriers in grouping a long stretch of territory under one line of rates, reflected in the rail adjustment, where rates from St. Louis to New Orleans were applied to each of the cities south of Memphis (a stretch of several hundred miles); the adjustment illustrates the fact that water competition controls, whether the place of destination is or is not reached by some other railroad, for the rates to Friars Point and Rosedale, Miss., local stations on the Yazoo & Mississippi Valley Railroad, are precisely the same as those to Greenville, Vicksburg, and New Orleans, which are common points. There is a further illustration of this

instance of water control in the fact that the river interests break their rate-grouping at Memphis, so that the rates to that place are materially less than to Friars Point, 70 miles south, although the rates to Friars Point are the same as to New Orleans, which is over 400 miles south of it. In the meeting of direct water competition, a railroad can be no respecter of distances.

Water competition on the Cumberland River fixed the measure of the rail rates between Evansville and Henderson on the one hand and Nashville and Clarksville on the other, on the Ohio and Kentucky rivers between Louisville and Frankfort, on the Green and Barren rivers between Bowling Green and Evansville, on the Tennessee River between Paducah and Florence, Sheffield, Tusculumbia, Decatur, Chattanooga, and Knoxville; in fact, in all cases where two places are on any connected stretch of navigable river and also on a railroad. In these cases comes into play, secondarily, the other rate-making elements which have been discussed. While there is water service between Louisville and Nashville, it has to pass the doors of Evansville and Henderson; Evansville is substantially the same distance by rail from Nashville as is Louisville, and market competition demanded rates so as to permit Louisville to compete with Evansville. The rates from Louisville to Memphis and other lower Mississippi River points are the same as from St. Louis, because there was through water competition which enabled Louisville to secure water rates competitive with St. Louis. Cincinnati had, however, to pay somewhat higher water rates; hence, her rail rates were also somewhat higher than from Louisville and St. Louis.

(f) Indirect Water Competition

This element is, in a great measure, subsidiary to direct competition, but as there necessarily enters into it, in a great degree, the elements of carrier and market competition, it must be regarded as somewhat apart from the other. When we speak of the rates from the Ohio River to Augusta, Ga., being made to enable the Central West to compete with the East, which has water-made rates to Augusta, we deal with it as a matter of market competition. Nevertheless, such instances may be taken as a potent form of indirect water competition. There are, however, numerous instances where the element of market competition has not been an influence. The rail rates from St. Louis to Jackson, Miss., were fixed substantially by the water rates to Vicksburg, added to the 44-mile rail rates thence to destination. Some of the rail rates between Vicksburg and Jackson were forced to a very low plane by the Mississippi Commission, which, by the way, has not, in many of its rate decisions, regarded the long-and-short-haul principle. Just as were the rail rates from Ohio River Crossings to Vicksburg proper measured by the rates of the boat lines, just so were the rates to Jackson measured. Montgomery and Selma, Ala., are other points in evidence, as the maximum rail rates from the Ohio River to those points take into account the rates to Mobile and thence on the Alabama River. The Jackson situation, as outlined, is true also at places like Greenwood and Winona, Miss. Through rail rates from the East to rail points not on rivers in Georgia and Alabama are measured by the water rates to coast cities, plus the rail rates to destination.

(g) Legal Requirements

A number of basing points have been created as such by orders of the Interstate Commerce Commission, which, after hearings, concluded that the carriers had not recognized fully the rights of these places, or, having established competitive rates in furtherance of individual interests, they had thereby discriminated against the places complaining. Basing points having adjustments resulting from the Commission's orders, either as concerns the western or the eastern points of origin, or both, and from related points, are Tifton, Vienna, Montezuma, LaGrange, Dawson, Moultrie, and Cordele, Ga.

CHAPTER IV

WATER TRANSPORTATION IN SOUTHERN TERRITORY

Owing to the preponderant weight of the water competitive forces, past, present, and potential, within and around the territory, which have overborne all other influences, it is desirable that a chapter be devoted to an outlined description of available routes and service on the waterways.

1. EXPENDITURES OF THE NATIONAL GOVERNMENT

Any discussion of this subject would be incomplete without some explanation of the very great aid that the federal government has given to the development of the commerce of the rivers and of the ocean. The report of the Secretary of the Treasury, made to Congress March 6, 1912, shows that the aggregate of the expenditures for river and harbor improvements in the United States from the foundation of the government up to the close of the fiscal year ended June 30, 1911, reached the enormous total of \$627,098,236. This is exclusive of the expenditures for the Panama Canal.

The following summary shows the disposition of the allotment of expenditures to the Southern States:

Virginia—

James River.....	\$ 2,086,957
Appomattox River.....	741,330
James and Appomattox Rivers jointly.....	710,231

WATER TRANSPORTATION

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Norfolk Harbor.....	2,588,224
Rappahannock River.....	502,023
Smaller Rivers and Harbors.....	1,807,953
<hr/>	
Total Expenditures.....	8,436,718
North Carolina—	
Cape Fear River.....	4,760,993
Waterway between Pamlico Sound and Beaufort Inlet..	503,500
Smaller Waterways and Harbors.....	2,192,564
<hr/>	
Total Expenditures.....	7,457,057
South Carolina—	
Charleston Harbor.....	4,935,197
Winyah Bay.....	2,500,161
Smaller Waterways and Harbors	2,335,605
<hr/>	
Total Expenditures	9,770,963
Georgia—	
Savannah Harbor	8,443,703
Savannah River	1,176,285
Brunswick Harbor	1,252,944
Altamaha, Oconee, Ocmulgee, Chattahoochee Rivers....	1,500,924
<hr/>	
Total Expenditures	12,373,856
Florida—	
St. John's River	4,813,003
Tampa Bay	740,011
Key West Harbor	703,000
Smaller Rivers and Harbors	4,949,044
<hr/>	
Total Expenditures	11,205,058
Alabama—	
Mobile Bay and Harbor	5,870,652
Alabama River	799,975
Black Warrior River	735,629
Smaller Waterways	218,423
<hr/>	
Total Expenditures	7,624,679
Mississippi—	
Pascagoula River	1,048,274
Yazoo River	1,079,577
Mississippi River in vicinity of Vicksburg.....	349,000

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Gulfport Harbor	374,446
Smaller Waterways	1,903,889
<hr/>	
Total Expenditures	4,755,186
Tennessee—	
Mississippi River near Memphis.....	258,000
Tennessee and Cumberland Rivers	441,028
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Total Expenditures	699,028
Kentucky—	
Kentucky River	3,626,271
Green River	535,428
Green and Barren Rivers jointly	135,000
Tennessee and Cumberland Rivers	380,345
<hr/>	
Total Expenditures	4,677,044

The report of the Secretary also shows large expenditures on the different rivers within Southern Territory or adjacent thereto, these not being separable by states. Among such disbursements should be mentioned \$23,-548,338.15 on the Ohio River and \$121,142,554.41 on the Mississippi River. This portion of the report also shows expenditures on the Black Warrior and the Tombigbee rivers in Alabama and Mississippi amounting to \$3,929,-775.97, on the Chattahoochee River in Georgia and Alabama amounting to \$620,025.95, on the Chattahoochee and the Flint rivers in Georgia, Florida, and Alabama amounting to \$133,000.00, on the Coosa River in Georgia and Alabama amounting to \$1,553,594.08, and on the Cumberland River in Kentucky and Tennessee amounting to \$4,050,532.18.

It will be found that out of these disbursements of upwards of \$627,000,000.00 for river and harbor improvements in the United States approximately one-third has been expended either on the Mississippi and the Ohio

rivers or on the coast line of the Southern States from the Chesapeake to the Mississippi and the rivers which penetrate these states. All of this is highly indicative of the great activity which the federal government has exercised in the development of the rivers, harbors, and canals of the Southern Territory. Apparently, the government designs to make of the Ohio, the Mississippi, the James, the Alabama, the Tombigbee, the Chattahoochee, the Ocmulgee, the Savannah, the Cumberland, and the Tennessee rivers great national free highways for the carriage of the commerce of this country. How far this intention has been realized can be ascertained only by an examination of the tonnage and character of traffic moving on these rivers.

2. WATER SERVICE BETWEEN NORTH ATLANTIC PORTS AND SOUTH ATLANTIC AND GULF PORTS

(a) The Important Lines

Probably no water service between any two points in the United States is more efficient than is the water service furnished by the ships on the Atlantic Ocean plying between the North Atlantic ports and the South Atlantic and Gulf ports. Among the principal steamship lines furnishing service of this character should be mentioned the following:

Name of Steamer Line	Sailings between	Number of sailings per week each way
Old Dominion S. S. Co.	N. Y. and Norfolk Harbor points..	6
Southern S. S. Co.	Philadelphia and Charleston and Jacksonville and Tampa.....	1

Name of Steamer Line	Sailings between	Number of sailings per week each way
Clyde S. S. Co.	New York and Charleston and Jacksonville	4
	New York and Brunswick.....	2
	Boston and Charleston and Jack- sonville	2
Ocean S. S. Co.	New York and Savannah.....	3
	Boston and Savannah	2
Baltimore & Carolina S. S. Co.	Baltimore and Georgetown, S. C., and Charleston	1
Merchants & Miners Trans- portation Co.	Boston and Norfolk.....	3
	Providence and Norfolk.....	3
	Baltimore and Norfolk.....	3
	Baltimore and Savannah.....	3
	Philadelphia and Savannah and Jacksonville	3
Mallory S. S. Co.	New York and Key West, Tampa and Mobile	1
Philadelphia & Gulf S. S. Co.	Philadelphia and New Orleans and Charleston	3 ¹
Southern Pacific S. S. Line.	New York and New Orleans.....	2

¹ Per month.

(b) The Important Ports and Boat Service

The port-to-port business of Charleston, Savannah, Brunswick, and Jacksonville is of great importance. During the calendar year 1911, 1,005 vessels entered the port of Charleston, of which 873 carried the United States flag. Presumably all of these vessels under the United States flag were engaged in coastwise traffic. There were forwarded from Charleston by schooner to eastern ports during the calendar year 1911, 106 vessel loads of lumber, containing 47,191,107 feet, and 7 vessel loads of phosphate rock, containing 6,789 tons.

The most important port in Georgia is Savannah on the Savannah River, eighteen miles from the sea. In 1906, Savannah ranked fourth among the ports of the Atlantic Coast of the United States. Besides the coastwise service previously outlined, Savannah is served by the Savannah & Bluffton Steamship Line between Savannah and Bluffton, by the Merchants & Farmers Navigation Company and by the Augusta & Savannah Steamship Company, each of which lines has two boats and averages two sailings per week between Savannah and Augusta. During the year 1911, the tonnage from and to foreign countries amounted to 277,856 tons entered and 414,315 tons cleared.

Brunswick, another port of considerable importance, is situated eighty miles south of Savannah. In addition to the Clyde Steamship Company she is served by the Brunswick & Florida Steamboat Company, which furnishes a service six times a week between Brunswick, Ga., and Fernandina, Fla., and a service six to twelve times a week between Brunswick and St. Simons, Ga. The Brunswick & Satilla Steamboat Company furnishes service three times a week between Brunswick and Burnt Fork, Ga., and the Brunswick, St. Simons & Darien Company furnishes service six times a week between Brunswick and Darien, Ga. Clearances and entrances of all ships in the foreign trade at Brunswick during the year 1911 show entrances of 74 steamships and 15 sailing vessels and clearances of 70 steamships and 13 sailing vessels. Clearances and entrances of all ships in the coastwise trade of Brunswick during the year 1911 show entrances of 143 steamships and 122 sailing vessels and clearances of 142 steamships and 124 sailing vessels. During the same year, there were about 200 departures

from, and the same number of arrivals at, Brunswick of steamboats doing business on the Satilla River.

The most important port of Florida is Jacksonville, situated on the west bank of the St. John's River, about 14 miles from its mouth and 155 miles south of Savannah. The river is navigable for steamboats 200 miles above Jacksonville. Jacksonville is served by the Jacksonville & Mayport Steamship Line with six sailings a week between Jacksonville, Fla., and Fulton, Fla.; The Clyde's St. John's River Line between Jacksonville and Enterprise, Fla., the Beech & Miller steamers on the St. John's River between Jacksonville and Crescent City, Fla., and the Inter-Ocean Steamship Company between Jacksonville and Palatka, Fla., each with three sailings a week; and the Independent Line, which furnishes a service six times a week between Jacksonville and Green Cove Springs, Fla. All of this is in addition to the coastwise service above stated. In the year 1911, there were 3,492 arrivals and clearances of vessels in the coastwise trade and 239 in the foreign trade. The value of the imports during that year was \$1,086,270.35, while the value of the exports for the first eleven months was \$2,141,358.26.

A South Carolina port of less importance is Port Royal. The town is on an island near Port Royal Entrance, four miles south of Beaufort, and has water service furnished by the Beaufort & Savannah Line with from three to six sailings a week between that port and Savannah, Ga.

Another Florida port of constantly increasing importance is Tampa, which is located at the head of Tampa Bay at the mouth of the Hillsboro River, 240 miles southwest of Jacksonville. Besides the Mallory Steamship Line and the Southern Steamship Company, it is served by the Tampa, Hunter's Point & Sarasota Steamboat

Company, plying between Tampa and Sarasota, Fla., three times a week; by the St. Petersburg Transportation Company plying between Tampa and Ellington, Fla., four times a week; and by the Penn Steamship Line every ten days between New Orleans, La., and Tampa, Fla.

The most important Gulf port on the Gulf of Mexico is New Orleans, La. It is located on the east bank of the Mississippi River distant about 100 miles from its mouth. In addition to the eastern service of the Philadelphia & Gulf Steamship Company and the Southern Pacific Steamship Line, it enjoys a very large vessel service in every direction open by water. The total number of vessels engaged in the foreign trade that entered the port of New Orleans during the calendar year 1911 was 1,101, of which 1,085 were steamships and 16 were sailing vessels. During the same period 1,118 vessels engaged in the foreign trade cleared from the port of New Orleans, of which 1,102 were steamships and 16 were sailing vessels. The Dock Board reports 1,497 steamboat arrivals at New Orleans during the year 1911, 298 arrivals of miscellaneous craft, consisting of flat boats, coal and gravel barges, tugs, transportation barges, etc., and 2,142 arrivals of luggers, gasoline boats, etc., engaged in the oyster, fish, vegetable, and small merchandise trade. New Orleans was founded in 1718 and had a population of approximately 150,000 prior to the building of any railroads connecting it with the Ohio River cities. Through all the early years in the history of New Orleans one can note a steadily increasing tonnage of freight received via the Mississippi River: for the fiscal years ended September 1, 1822, 136,400 tons were received; 1832, 244,600 tons; 1842, 566,500 tons; 1852, 1,160,500 tons; 1860, 2,187,560 tons. The first annual

report on the internal commerce of the United States for the fiscal year ended June 30, 1876, shows that the tonnage received at New Orleans during the year 1875 by the Mississippi River was 724,198 tons, while the total amount brought in by the railroads during the same period was 216,940 tons. During the same year 236,694 tons were shipped out by the Mississippi River, while only 166,396 tons were shipped out by rail. This same report shows that for the fiscal year ended June 30, 1876, the total receipt of cotton at New Orleans was 1,424,003 bales, of which 1,105,393 bales, or 78 per cent, were brought in by river. The value of the exports from New Orleans in 1880 amounted to \$90,000,000; in 1910, to \$140,000,000; and in 1911, to \$172,789,754. In 1911 its foreign receipts were 2,019,067 tons and its clearances 2,249,883 tons.

Mobile, Ala., is another port of considerable importance on the Gulf of Mexico, it being third in point of volume of tonnage. It is situated on the west bank of the Mobile River at its entrance into the bay of the same name, 30 miles from the Gulf of Mexico and 140 miles east of New Orleans. Mobile is served by the Mallory Steamship Company heretofore mentioned and by the Pensacola, St. Andrews & Gulf Steamship Company once a week between Mobile and Gulf coast points as far as Carrabelle, Fla. A steamboat line furnishes a service once a week to Selma and Montgomery, Ala., and twice a week to Demopolis and Tuscaloosa, Ala. Mobile has an advantageous position for trade, it being the natural outlet of one of the great cotton regions of the United States. The total number of vessels that entered the port of Mobile during the year 1911 was 673, of which 142 were sailing vessels and 532 steamships. Foreign receipts in the same year amounted to 677,445 tons and clearances

amounted to 743,559 tons. The total value of the exports through the port for the year 1911 was \$30,154,037, while the value of the imports during the same period was \$4,031,737.

Pensacola, Fla., located on the bay of that name, has the finest natural harbor on the Gulf Coast and ranks next after Mobile in importance of foreign trade. The Pensacola, St. Andrews & Gulf Steamship Company gives it regular water connection with Mobile and ports east as far as Carrabelle, Fla.

3. SHIPMENTS FROM PRINCIPAL SOUTH ATLANTIC AND GULF PORTS

The report of the Chief of Engineers of the United States Army for the calendar year 1910 gives the total amount of the waterborne shipments at the principal South Atlantic and Gulf ports named below:

At	Tons	Consisting principally of
Norfolk, Va. . . .	12,477,501	Coal, cotton, fertilizers, forest and agricultural products, and general merchandise.
Wilmington, N. C.	944,657	Cotton, cottonseed meal, naval stores, fertilizers, coal, forest products, and general merchandise.
Charleston, S. C.	1,111,952	Cotton, cotton goods, fertilizer materials, provisions, general merchandise.
Savannah, Ga. . .	2,920,060	Naval stores, fertilizer produce, iron, cotton, lumber, and general merchandise.
Brunswick, Ga. . . .	784,542	Cotton, lumber, cross ties, naval stores, and general merchandise.
Fernandina, Fla. . .	578,645	Lumber, phosphate rock, naval stores, etc.
Jacksonville, Fla..	1,736,912	Coal, cement, fertilizer materials, lumber, oil, phosphate rock, steel rails, and general merchandise.

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At	Tons	Consisting principally of
Key West, Fla...	438,776	Cattle, cement, cigars, cross ties, railroad iron, sandstone, gravel, tobacco, distilled water, and general merchandise.
Tampa, Fla.	2,246,549	Coal, fruits, fertilizers, logs, naval stores, crude oil, phosphate, tobacco, vegetables, and general merchandise.
Pensacola, Fla. ..	922,870	Cotton, naval stores, lumber, fertilizer materials, mahogany, and general merchandise.
Mobile, Ala.....	1,193,203	Cotton, cotton products, breadstuffs, hog products, lumber and timber, bananas, and sisal grass.
New Orleans, La.	4,300,209	Cotton, forest products, fruits, and wide range of merchandise.

4. NUMBER OF VESSELS AND TONNAGE IN THE SOUTHEAST

The report of the Commissioner of Corporations on Transportation by Water, published by the Department of Commerce and Labor, part I, Table XXII, under the caption of "Operating Agencies of Vessels in the United States in 1907," shows the following number of vessels and the tonnage handled by such:

	Steam Vessels	Barges	Tonnage
Atlantic Coast	95	86	158,393
Alabama River	1		209
Apalachicola River	1		154
Cape Fear River	5		506
Coosa River	2		209
Cumberland River	6		1,427
Flint River	3		500
Gulf Coast	16		5,062
James River	1		814
Mississippi River	45	8	18,517
Ohio River	14	17	9,226
Peedee River	4		405
Santee River	1		62
Savannah River.....	4		2,192

The report shows also a large number of vessels engaged exclusively in one class of traffic, such as the carriage of lumber, coal, etc. It shows also a limited number of towing lines, some of which are engaged on the rivers flowing through the South Atlantic States and the Gulf States.

The report also shows 123 steamships and 5,758 barges with a combined tonnage capacity of 3,559,878 tons engaged in coal traffic on the Ohio and the Mississippi rivers and their tributaries. Of this number 83 steamers and 4,070 barges, with a combined tonnage capacity of 2,809,052 tons, are owned by one company and operated from Pittsburgh to New Orleans and intermediate points. The report also shows a limited number of towing corporations engaged in business on the Mississippi and Ohio rivers and their tributaries.

5. PRINCIPAL NAVIGABLE STREAMS

The principal navigable streams flowing into the Atlantic Ocean south of the Potomac River are the Rappahannock, Pamunkey, the York, the Chickahominy, the James, the Cowan, the Roanoke, the Tar, the Neuse, the Black, the Cape Fear, the Waccanaw, the Pedee, the Little Pedee, the Wateree, the Congaree, the Santee, the Edisto, the Savannah, the Oconee, the Ocmulgee, the Altamaha, the St. Mary's, and the St. John's rivers.

The principal navigable streams emptying into the Gulf of Mexico are the Suwanee, the Chattahoochee, the Flint, the Apalachicola, the Mobile, the Alabama, the Tombigbee, the Warrior, the Pascagoula, the Pearl, and the Mississippi rivers. The principal navigable tributaries of the Mississippi River emptying into the Missis-

issippi from the east are the Yazoo, the Big Sunflower, the Tallahatchie, the Big Black, and the Ohio rivers. The principal tributaries of the Ohio River are the Tennessee, the Cumberland, the Green, the Barren, the Kentucky, the Big Sandy, the Great Kanawha, and the Little Kanawha rivers.

6. TONNAGE ON DIFFERENT RIVERS DURING 1910

In the following table has been compiled the actual tonnage moving on the different rivers in Southern Territory during the calendar year 1910. This is taken from the annual report of the Chief of Engineers of the United States Army for the year 1911:

	Tons
Virginia Rivers	3,547,521
North Carolina Rivers.....	1,363,742
South Carolina Rivers.....	651,643
Georgia Rivers	135,596
Florida Rivers	491,763
Alabama Rivers	480,161
Mississippi Rivers	1,973,632
The Mississippi River	
Between St. Louis and Cairo.....	289,759
Between Cairo and Memphis.....	1,039,195
Between Memphis and Vicksburg.....	980,386
Between Vicksburg and New Orleans.....	1,530,230
Tennessee Rivers	1,567,407
The Ohio River.....	11,112,216
West Virginia Rivers.....	1,562,408
The Kentucky River.....	254,721

7. WATER TRANSPORTATION AT PRESENT COMPARED WITH THAT OF THE PAST

In earlier days when the Southern States were not so ramified with railroads, the transportation service on the

various inland waterways was much greater than at the present time. In that period manufacturing and trade found the lines of least resistance in the channels of water transportation, and those sections and cities were the strongest which could best avail themselves of this auxiliary of commerce. At the present time the conditions have so materially changed that, as compared with forty or sixty years ago, the number of steamboats has greatly lessened, although barge transportation is probably greater now than in the heyday of steamboating. This change is due to a logical evolution. The river cities, no longer dominating in the production and distribution and being the gateways of trade, sections and cities which, being more or less remote from available water highways, rely on rail transportation for the whole or a part of any given service required, have sprung into being and prominence. Promptness and regularity, attributes which are always before rail carriers, are of ever-increasing importance to trade. Today, water transportation is largely that of service between the towns and country side on or closely adjacent to the waterways, and there boat transportation will always be in control of the rate situation.

Notwithstanding the lessened amount of steamboat transportation, the influence which was so compelling in creating the present rail rate structures and in fixing the plane or measure of the rates themselves, will continue. Between waterside towns, in most instances, the active competition of the boats with the rail lines continues, but the potentiality of the old competition remains in any event, not only because the raising of the rail rates would be an open invitation to an immediate increase in the boat service, but because public policy voiced in legislative enactments has provided against advances after active

competition has lessened or ceased. The indirect potentiality of water competition, which had its expression in the relative adjustment from places not subject to direct water competition or where joint water-and-rail competition had an influence, must likewise continue.

Coastwise service along the eastern and southern boundaries of the territory, far from lessening, is, in the aggregate, gradually increasing.

TEST QUESTIONS

These questions are for the student to use in testing his knowledge of the assignment. The answers should be written out, but are not to be sent in to the University.

1. Define the boundaries of Southern Territory.
2. What is the basic principle of rate construction?
3. What is the controlling factor in rate-making in this territory?
4. Illustrate the effect of market competition.
5. With the rates of what other territory do those applied in Southern Territory favorably compare?
6. Define the boundaries of Seaboard Territory.
7. Mention ten points in Southeastern Territory.
8. What are the principal port cities in Carolina territory?
9. What states are included in Mississippi Valley territory?
10. Discuss briefly the development of the southern basing points.
11. For what purpose were the early railroads constructed in this territory?
12. During what period was the southern rate structure as it stands today developed?
13. What is the distinction between a common point and a basing point?
14. To what cause may the establishment of the so-called "artificial base points" be attributed?

15. What are the most important factors in southern rate-making?

16. Give an illustration of direct competition between rival routes.

17. What are the more important rivers in the state of Georgia?

18. Enumerate some of the water carriers serving the South Atlantic ports.

19. Of what products does the bulk of commerce in this territory consist?

20. What are the principal navigable streams emptying into the Gulf of Mexico?

21. Upon what river is the greatest volume of traffic handled?

22. In the absence of water competition upon the rivers, could the rates be materially advanced?

CHAPTER V

INTRASTATE RATES IN SOUTHERN TERRITORY

1. DEVELOPMENT

Between common points in Southern Territory, in the case of rate adjustments to and from points outside of the territory, there is an interlacing fabric, resulting from a definite relationship of one point of origin to another and one point of destination to another. The rates from Chattanooga bear fixed relationship to those from Nashville; the rates from Rome bear fixed relationship to those from Chattanooga. Birmingham and Chattanooga are hinged as points of origin. Rates from Atlanta are figured certain differentials below the Chattanooga and Birmingham rates. Birmingham is hinged upon Montgomery; Columbus on Birmingham and Montgomery; Macon on Atlanta, Columbus, etc. It is not meant that to a single destination one of these points of origin has its rates hinged upon several other points of origin; for example, in one instance a rate to or from Atlanta may be made in relation to the Chattanooga rate and in the next case in relation to the Birmingham rate, and so forth.

In addition, there is often a relationship between different points of destination and one point of origin.

Between points in the same state the crowning factor, however, is the rate made under the general or specific orders of the state commission. The Georgia Commission has been particularly active in making whole adjustments between common points as well as between non-competitive points. In Alabama and Florida also, the state commissions have specifically fixed many of the rates.

These intrastate adjustments are reflected in the interstate adjustment. For example, a rate made by the Georgia Railroad Commission from Savannah to Atlanta may act to reduce the rates from the Virginia Cities, the Eastern Cities, the Ohio River Crossings, the Mississippi River Crossings, etc. A rate made from Columbus, Ga., to Macon or Augusta, Ga., is often reflected in the rates from points like Birmingham and Montgomery, Ala., etc., to the same destinations. The change by the commission in the adjustment from Atlanta to Brunswick will be immediately followed by a corresponding change from Atlanta to Charleston, S. C., and Jacksonville, Fla.

From and to intermediate points the general basis is the lowest combination with continuous mileage scales as maximum. Exceptions apply in the case of rates on manufactured articles and highly competitive commodities, such as lumber, from intermediate points and common basing points. These rates are frequently made the same as those from the next distant competitive point.

This being true, it naturally follows that some understanding of the existing intrastate rates be had in order to follow intelligently the subsequent interstate bases for through-rate construction. This chapter will therefore be devoted to intrastate rates in general. While the Georgia and Florida adjustments have been quite fully

treated, it has not seemed desirable to go to such length in the case of each individual state in the territory, as the conditions are much the same throughout.

Every state in this section of the country has a regulative body that is vested with authority to supervise the internal commerce of that particular state. This function is performed in some cases by the establishment of maximum rates prescribed by the commission and in other cases by a ratification of schedules submitted by the carrier before becoming effective, or by subsequent approval of carrier's rates established at an earlier date. The following states, either by statutes or by orders of their respective commissions, have prescribed substantially complete tables of distance rates: Virginia, North Carolina, South Carolina, Georgia, and Florida. Each of these states has also promulgated a classification of freight applicable within the state. In other states, however, the authorities have virtually fixed classifications of their own by accepting the railroads' standard classification (Southern Classification), which is applied generally, with some local exceptions prescribed by the several interested lines.

It will be observed that the state commissions of Virginia, North Carolina, South Carolina, Florida, and Georgia have not failed to recognize the propriety of the fact that many of the smaller and independent lines require rates which are on a higher scale than that accorded the larger systems.

2. GEORGIA

We find that the railroads in the state of Georgia are assigned to four classes according to their traffic strength: Class A, Class B, Class C, and Class D. Class A roads are accorded rates which are on a lower scale

than Class B roads. Class B roads, while on a higher scale than Class A roads, are on a lower basis than Class C or Class D roads. Table 1 indicates several of the more important lines in the state and the class to which each is assigned.

TABLE 1
CLASSIFICATION OF THE GEORGIA RAILROADS

CLASS	ROAD
A	Alabama Great Southern Railroad
A	Atlanta & West Point Railroad
A	Georgia Railroad
B	Atlantic Coast Line Railroad
C	Atlanta, Birmingham & Atlantic Railroad
C	Central of Georgia Railway
C	Southern Railway
D	Georgia, Florida & Alabama Railway
D	Macon, Dublin & Savannah Railroad
D	Valdosta, Moultrie & Western Railroad

The extent to which the rates of Class B, Class C, and Class D roads may exceed the rates announced for Class A roads is indicated in the following paragraphs:

CLASS B

On Classes 1, 2, 3, 4, 5, 6, A, E, G, H, L,¹ N, and O, the Standard Tariff with 20 per cent added.

On Classes B, K, M, and R, the Standard Tariff with 10 per cent added.

On Classes C, D, F, J, and P, the Standard Tariff without percentage.

CLASS C

On Classes 1, 2, 3, 4, 5, 6, A, E, G, H, L,¹ N, and O, the Standard Tariff with 25 per cent added.

On Classes B, K, M, and R, the Standard Tariff with 10 per cent added.

On Classes C, D, F, J, and P, the Standard Tariff without percentage.

¹On lime and ice, the Standard Tariff with 10 per cent added.

CLASS D

On Classes 1, 2, 3, 4, 5, 6, A, B, E, G, H, K, L,¹ M, N, and O, and R: For 40 miles and under, the Standard Tariff with 50 per cent added; for 70 miles and over 40 miles, the Standard Tariff with 40 per cent added; for 100 miles and over 70 miles, the Standard Tariff with 30 per cent added; over 100 miles, the Standard Tariff with 20 per cent added.

On Classes C, D, F, J, and P, the Standard Tariff without percentage.

(a) Joint Rates

Rule 27 issued by the Railroad Commission of Georgia provides that the maximum charge on a shipment moving between two points located in the state of Georgia but not located on the same road shall be 90 per cent of the sum of the local rate allowed to be charged by each road handling the freight. To illustrate, on a shipment of freight taking the first-class rate, the rate from Fairburn on the Atlanta & West Point Railroad to Covington on the Georgia Railroad will be arrived at as follows: Take the Atlanta & West Point Railroad rate for first class, from Fairburn to Atlanta (a distance of 18.81 miles), which is 20 cents; from this deduct 10 per cent, or 2 cents, leaving 18 cents as the proportion of the Atlanta & West Point Railroad for transporting the joint shipment from Fairburn to Atlanta. To this add the Georgia Railroad rate from Atlanta to Covington (41 miles), which is 27 cents; deduct 10 per cent, or 3 cents, leaving 24 cents, which represents the Georgia Railroad proportion for hauling the joint through shipment from Fairburn to Covington; the total through charge (joint rate) is 42 cents.

Each railroad company's proportion in handling joint through shipments must be determined before adding together the rates to arrive at a joint through rate; unless otherwise provided by a proper division basis among the

TABLE 2
GEORGIA DISTANCE RATES

PER 100 POUNDS												Per Bbl.	Per 100 Lbs.	Per 100 Lbs.
Dis- TANCE	1	2	3	4	5	6	A	B	C	D	E	F	G	H
MILES	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.
5	12	11	10	8	7	6	6	6	4 ¹ / ₂	3 ¹ / ₂	7	9	2 ¹ / ₂	8
10	16	14	13	10	9	8	8	8	5 ¹ / ₂	5 ¹ / ₂	9	11 ¹ / ₂	3 ¹ / ₂	10
15	18	16	15	12	11	9	9	9	6	5 ¹ / ₂	11	12 ¹ / ₂	3 ¹ / ₂	12
20	20	18	16	14	12	10	10	10	7	6 ¹ / ₂	12	14	5	12
25	22	20	18	16	13	11	11	11	7 ¹ / ₂	6 ¹ / ₂	13	15	5 ¹ / ₂	16
30	24	21	19	17	14	11	11	11	7 ¹ / ₂	6 ¹ / ₂	14	16	6	17
35	26	23	21	19	15	12	12	12	8	7 ¹ / ₂	15	16 ¹ / ₂	6 ¹ / ₂	19
40	27	24	22	20	16	12	12	12	8	7 ¹ / ₂	16	16 ¹ / ₂	6 ¹ / ₂	20
45	29	26	24	21	17	13	13	13	8 ¹ / ₂	8	17	17 ¹ / ₂	6 ¹ / ₂	21
50	30	27	25	22	18	13	13	13	8 ¹ / ₂	8	18	17 ¹ / ₂	7	22
55	32	29	26	23	19	14	14	14	9	8 ¹ / ₂	19	18	7	23
60	33	30	27	24	19	14	14	14	9	8 ¹ / ₂	19	18	7 ¹ / ₂	24
65	35	32	28	25	20	15	15	15	9 ¹ / ₂	9	20	19	7 ¹ / ₂	25
70	36	33	29	26	20	15	15	15	9 ¹ / ₂	9	20	19	7 ¹ / ₂	26
75	38	35	30	27	21	16	16	16	10	9 ¹ / ₂	21	20	7 ¹ / ₂	27
80	39	36	31	28	21	16	16	16	10	9 ¹ / ₂	21	20	7 ¹ / ₂	28
85	41	37	32	29	22	17	17	17	11	10	22	21	7 ¹ / ₂	29
90	42	38	33	29	22	17	17	17	11	10	22	21	8	29
95	44	39	34	30	23	18	18	18	11 ¹ / ₂	11	23	22	8	30
100	45	40	35	30	23	18	18	18	11 ¹ / ₂	11	23	23	8 ¹ / ₂	31
110	48	42	37	31	24	19	19	19	12	11	24	23	8 ¹ / ₂	30
120	51	44	39	32	25	20	20	20	13	12	25	24	8 ¹ / ₂	32
130	54	46	41	33	26	21	21	21	13	12	26	25	8 ¹ / ₂	33
140	57	48	43	34	27	22	22	22	13	13	27	26	9	34
150	60	50	45	35	28	23	23	23	14	13	28	28	9	35
160	62	52	46	36	29	24	24	24	14	13	29	29	9 ¹ / ₂	36
170	64	54	47	37	30	25	25	25	15	14	30	31	9 ¹ / ₂	37
180	66	56	48	38	31	26	26	26	15	14	31	31	9 ¹ / ₂	38
190	68	58	49	39	32	27	27	27	16	15	32	33	9 ¹ / ₂	39
200	70	60	50	40	32	27	27	27	16	15 ¹ / ₂	32	33	9 ¹ / ₂	40
210	71	62	51	41	33	28	28	28	17	16	33	34	9 ¹ / ₂	41
220	72	64	52	42	33	28	28	28	17	16	33	34	10	42
230	73	66	53	43	34	29	29	29	18	17	34	36	10 ¹ / ₂	43
240	74	68	54	44	34	29	29	29	18	17	34	36	10 ¹ / ₂	44
250	75	70	55	45	35	30	30	30	19	18	35	38	10 ¹ / ₂	45
260	76	71	56	46	35	30	30	30	19	18	35	38	10 ¹ / ₂	46
270	77	71	56	46	36	31	31	31	20	19	36	40	10 ¹ / ₂	46
280	78	72	57	47	36	32	32	32	20	19	36	40	10 ¹ / ₂	47
290	79	72	57	47	37	32	32	32	21	19	37	42	10 ¹ / ₂	47
300	80	73	58	48	38	33	33	33	21	19	38	42	11	48
310	81	73	58	48	38	33	33	33	21	19	38	42	11	48
320	82	74	59	49	39	34	34	34	21	20	39	42	11	49
330	83	74	59	49	39	34	34	34	22	20	39	44	11	49
340	84	74	59	49	39	34	34	34	22	20	39	44	11	49
350	85	75	60	50	40	35	35	35	23	21	40	46	11	50
360	85	75	60	50	40	35	35	35	23	21	40	46	11 ¹ / ₂	50
370	85	75	60	50	40	35	35	35	23	21	40	46	11 ¹ / ₂	50
380	88	76	61	51	41	36	36	36	25	23	41	50	11 ¹ / ₂	52
390	88	76	61	51	41	36	36	36	25	23	41	50	11 ¹ / ₂	52
400	88	76	61	51	41	36	36	36	25	23	41	50	11 ¹ / ₂	52
410	91	77	62	52	42	37	37	37	26	24	42	52	11 ¹ / ₂	54
420	91	77	62	52	42	37	37	37	26	24	42	52	11 ¹ / ₂	54
430	91	77	62	52	42	37	37	37	26	24	43	52	11 ¹ / ₂	54
440	94	78	63	53	43	38	38	38	27	25	43	54	11 ¹ / ₂	56
450	94	78	63	53	43	38	38	38	27	25	43	54	11 ¹ / ₂	56
460	94	78	63	53	43	38	38	38	27	25	43	54	12	56

INTRASTATE RATES IN SOUTHERN TERRITORY 71

TABLE 2—Continued
GEORGIA DISTANCE RATES

Dis- TANCE MILES	PER 100 POUNDS.		PER TON.		PER CAR LOAD.			Per 100 Lbs.
	J	K	L	M	N	O	P	R
	Cts.	Cts.	\$ Cts.	\$ Cts.	\$ Cts.	\$ Cts.	\$ Cts.	Cts.
5	8	4	35	53	5 00	5 50	4 00	4
10	10	5	50	80	6 50	8 00	5 00	5
15	12	5½	55	85	7 50	9 00	6 00	5½
20	13	6	60	90	8 00	10 00	7 00	6
25	14	6½	65	95	9 00	11 00	8 00	6½
30	15	7	70	1 00	10 00	11 00	8 00	7
35	16	7½	75	1 05	12 00	12 00	9 00	7½
40	17	8	80	1 10	13 00	12 00	9 00	8
45	18	8	85	1 15	14 00	13 00	10 00	8½
50	19	8	90	1 20	14 00	13 00	10 00	9
55	20	8	95	1 25	14 00	14 00	10 00	9
60	21	9	95	1 30	14 50	14 00	11 00	10
65	22	9	1 00	1 35	15 50	15 00	11 00	10
70	22	9	1 00	1 40	16 00	15 00	11 00	11
75	23	9½	1 05	1 45	16 50	16 00	12 00	11
80	23	9½	1 10	1 50	17 00	16 00	12 00	12
85	24	9½	1 15	1 55	17 50	17 00	13 00	12
90	24	9½	1 15	1 60	18 00	17 00	13 00	13
95	25	10	1 20	1 65	19 00	17 00	14 00	14
100	25	10	1 20	1 70	20 00	17 00	14 00	14
110	26	10	1 25	1 80	21 00	18 00	15 00	15
120	27	10½	1 30	1 90	23 00	18 00	16 00	16
130	28	10½	1 35	2 00	24 00	19 00	16 00	17
140	29	11	1 40	2 10	25 00	19 00	16 00	18
150	30	11	1 50	2 20	26 00	20 00	17 00	18
160	31	12	1 60	2 25	27 00	20 00	17 00	19
170	32	12	1 70	2 30	28 00	21 00	18 00	19
180	33	12	1 80	2 35	29 00	21 00	19 00	20
190	34	13	1 90	2 40	29 50	22 00	19 00	20
200	35	13	2 00	2 45	30 00	22 00	20 00	20
210	36	13	2 10	2 50	31 00	23 00	20 00	21
220	37	14	2 20	2 55	31 50	23 00	21 00	21
230	38	14	2 30	2 65	32 00	23 00	21 00	21
240	39	14	2 40	2 65	33 00	24 00	22 00	22
250	40	15	2 50	2 75	33 50	24 00	22 00	22
260	41	15	2 60	2 75	34 00	24 00	22 00	22
270	42	15	2 70	2 85	34 50	25 00	23 00	22
280	43	16	2 80	2 85	35 00	25 00	23 00	23
290	44	16	2 90	2 95	36 00	25 00	24 00	23
300	45	16	2 95	3 00	36 50	26 00	24 00	23
310	46	17	3 05	3 10	37 00	26 00	24 00	23
320	47	17	3 05	3 20	38 00	26 00	24 00	24
330	48	17	3 15	3 30	38 50	27 00	25 00	24
340	49	17	3 15	3 40	39 00	27 00	25 00	24
350	50	17	3 28	3 50	40 00	27 00	25 00	24
360	51	17	3 28	3 50	40 00	27 00	25 00	24
370	52	17	3 28	3 50	40 00	27 00	25 00	24
380	53	18	3 41	3 60	41 00	29 00	27 00	26
390	54	18	3 41	3 60	42 00	29 00	27 00	26
400	55	18	3 41	3 60	42 00	29 00	27 00	26
410	56	19	3 54	3 70	44 00	31 00	29 00	28
420	57	19	3 54	3 70	44 00	31 00	29 00	28
430	58	19	3 54	3 70	44 00	31 00	29 00	28
440	59	20	3 67	3 80	46 00	33 00	31 00	30
450	59	20	3 67	3 80	46 00	33 00	31 00	30
460	60	20	3 67	3 80	46 00	33 00	31 00	30

carriers, which does not affect the total through joint rate paid by the shipper or consignee, the through joint rate will divide between the carriers as made.

The distance rates set forth in the forty-first annual report of the Georgia Railroad Commission have been reproduced in Table 2.

It will be observed from Table 2 that additional classes other than those shown in the Southern Classification proper are established. This fact is accounted for by a special classification issued by the commission, which provides ratings for articles conforming to the scale it has adopted.

As indicated by Table 3, different ratings are provided for some articles according to whether they are shipped subject to the owner's risk or to the carrier's risk.

TABLE 3

SPECIMEN CLASSIFICATION RATINGS OF THE GEORGIA RAILROAD
COMMISSION COMPARED WITH SOUTHERN
CLASSIFICATION RATINGS

COMMODITY	GEORGIA		SOUTHERN
	Carrier's Risk	Owner's Risk	Owner's Risk ¹
	Class	Class	Class
Baled cotton, any quantity.....	J	..	1
Cotton seed, for planting.....	G	..	D
Drain tile, C. L.....	R	T	A
Ice, C. L.....	L	..	6
Iron and steel articles as per special list, C. L.....	$\frac{3}{4}$ of 6th	..	6
Jug ware, C. L.....	L	..	6
Live poultry, C. L.....	1	M	Special
Potatoes, L. C. L.....	6	I	6
Potatoes, C. L.....	6	D	6
Shell oysters, C. L.....	..	K	6

¹Carrier's risks are 10 per cent higher.

INTRASTATE RATES IN SOUTHERN TERRITORY 73

All cotton is handled on commodity rates materially lower than the corresponding class rates.

(b) Distances

The Railroad Commission of Georgia also publishes official mileages between all points within the state, which must be used in conjunction with the rates and classification heretofore treated. The following excerpt from its issue will give the reader an idea of the manner in which this information is set forth. These figures are supplied the commission by the carriers.

DISTANCE TABLES

*Indicates Non-Agency Stations

ATLANTA, BIRMINGHAM & ATLANTIC RAILROAD

BRUNSWICK TO BIRMINGHAM

Brunswick	0.0	Bushnell.....	104.9	Mauk.....	222.4
*Southern Junction.....	9.0	Ambrose.....	108.9	*Norwich.....	225.4
*Brobston.....	12.3	Wray.....	112.0	Junction City.....	230.4
*Anguilla.....	15.9	Osierfield	116.9	* Paschal	231.0
*Leicht.....	17.1	*Ashton.....	120.8	Talbotton	238.2
*Blounts.....	19.4	Fitzgerald	126.0	*Berry.....	243.1
Thallman	21.1	*Abba.....	133.4	Woodland.....	248.3
*Lott.....	24.0	*Arp.....	135.4	Chalybeate	
*Browntown.....	27.0	Rebecca.....	141.6	Springs.....	254.3
*Fendig.....	31.2	Double Run	147.1	Manchester	256.0
*Needmore.....	34.7	*Hatley.....	151.6	Bullochville.....	261.4
Hortense	38.0	*Musselwhite.....	158.0	*Warm Springs.....	262.0
Zirkle.....	43.5	Cordele	162.9	Durand.....	267.6
Offerman	48.7	*Ross.....	167.0	Stovall.....	273.2
Bristol.....	55.5	Vienna	172.5	*Big Springs.....	277.7
Coffee.....	62.8	Lilly.....	178.6	*Knott.....	280.2
*Mill City.....	68.0	Byromville.....	183.4	LaGrange	286.8
Rockingham.....	70.2	Dooling.....	185.9	*Pyne.....	293.1
Alma.....	73.4	*Fields.....	190.9	*Abbottsford.....	297.0
Gusie.....	77.2	Montezuma	194.1	Georgia-Alabama	
* Sessoms	80.9	Oglethorpe	195.7	Line.....	299.8
Nicolls.....	84.2	*Bartlett.....	200.9	Standing Rock,	
Chatterton.....	90.0	Ideal.....	205.7	Ala	301.8
Douglas	97.3	Southland.....	208.8	Roanoke, Ala	311.1
*Upton.....	100.1	*Rupert.....	213.1	Birmingham,	
		Charing.....	218.1	Ala	453.8

CENTRAL OF GEORGIA RAILWAY

SAVANNAH TO ATLANTA

Savannah	0.0	*Cushingville	83.0	Bolingbroke.....	206.0
*Central Junction	3.4	Rogers.....	86.8	Smarrs.....	212.2
Pooler.....	8.2	Herndon.....	90.1	Forsyth.....	217.2
Bloomington.....	12.3	Midville	96.3	*Colliers	223.0
Meldrim	17.0	*Gertrude	100.4	Goggins.....	228.6
Eden.....	19.3	Wadley	106.9	Barnesville	233.3
Marlow.....	26.1	Bartow.....	111.3	Milner.....	239.8
Pineora.....	27.5	*Almira	116.0	Orehard Hill	245.2
Guyton.....	30.3	Davisboro.....	122.2	Griffin	251.3
Tusculum.....	35.1	Sun Hill.....	130.1	Pomona.....	256.5
Egypt.....	40.4	Tennille	135.2	Sunnyside.....	258.3
Oliver.....	45.9	Oconee.....	146.4	Hampton.....	261.7
Haleyondale.....	50.0	Toombsboro.....	154.9	Lovejoy.....	266.6
Cameron.....	54.6	McIntyre.....	161.7	*Ors	270.8
Dover	57.4	Gordon	170.6	Jonesboro.....	273.1
Ogeechee.....	61.5	*Lewiston	174.9	Morrow.....	277.6
Rocky Ford	66.4	Griswold.....	181.5	Forrest Park.....	281.3
Scarboro.....	70.7	Macon	190.8	Hapeville.....	285.5
*Paramore Hill	74.2	*Macon Junction	191.7	East Point	288.1
Millen	78.8	*Rivoli	198.6	Ft. McPherson.....	290.6
		*Lorane	203.1	Atlanta	294.5

SOUTHERN RAILWAY COMPANY

ATLANTA TO BRUNSWICK

Atlanta	0.0	Macon	87.2	*Johnsonville	194.0
Roseland.....	2.8	*Reid	96.8	Graham.....	195.2
Constitution.....	5.9	*Phillip	98.3	Pine Grove.....	198.5
*Henrico	7.7	Bullard.....	103.5	*Prentiss	201.6
Conley.....	9.4	Adams Park.....	107.5	Baxley.....	204.8
Ellenwood.....	12.6	*Ettrick	109.5	*Wheaton	208.7
Rex.....	14.4	West Lake.....	113.6	Surrency.....	214.3
Stockbridge.....	18.5	*Ainslie	116.1	Brentwood.....	219.2
*Mahers Quarry	20.0	*Newberry	118.3	Odum.....	225.2
*Tunis	22.3	*McGriff	120.2	*Burnett	226.3
Flippen.....	24.0	Coley.....	122.2	*Nesbit	230.1
McDonough	28.0	Cochran	126.2	*Drawdy	232.2
Locust Grove.....	35.2	Empire	131.9	Jesup	234.8
Jenkinsburg.....	40.1	*Dubois	134.9	*Whaleys	237.5
Jackson.....	45.5	Gresston.....	136.5	*Odessa	239.7
*Central Ga.		Eastman	144.8	Gardi.....	241.4
Power Co.....	47.2	*Godwinsville	149.9	*Bennetts Still	242.4
Flovilla.....	50.5	Chauncey.....	154.6	*Pendarvis	244.6
Cork.....	53.8	*Soumi	155.9	*Grangerville	247.0
Berner.....	59.5	*Achord	160.2	Mount Pleasant	251.6
Juliette.....	64.0	Helena	163.4	Everett	255.3
*Polhill	67.3	McRae	164.8	*Belle Vista	257.8
*Macon Stone & Supply Co.	68.2	Scotland.....	169.8	*Zuta	261.3
Dames Ferry.....	71.6	Towns.....	174.8	*Walbirg	263.1
Popes Ferry.....	74.0	*Wilcox	179.5	Sterling.....	265.4
Holton.....	78.9	*Lowery	180.3	*Gignlatt	268.6
*Virgin	82.2	Lumber City.....	181.6	Brunswick	274.5
		*Ocmulgee	182.9		
		Hazlehurst	188.9		

(c) Joint Lines Defined

The rules of this commission likewise provide that where two or more connecting lines of railroad are operated by or are under one management or company, or where the majority of stock of any railroad company is owned or controlled either directly or indirectly by connecting railroad companies, the lines of such companies shall be considered as constituting but one and the same railroad, and the rates for the carriage of freight over such railroads, or any portion thereof, shall be computed upon the continuous mileage basis.

(d) Application of Distances

In the application of distances less than 100 miles, the actual distance that a shipment may be carried is not shown by the standard freight tariff. The same charges may be collected as those specified for the distance shown by said standard tariff most nearly approximating the actual distance. For example, if the actual distance be 48 miles, the 50-mile rate applies; for 47 miles, the 45-mile rate applies; for distances over 100 miles, where the actual distance is not shown by the standard tariff, the next greater distance governs. For example, if the actual distance be 101 miles, the rate for 110 miles applies, provided, however, that in all cases where fractional miles are shown the unit mile is to be arrived at in the following manner: For distances of one-half mile and over, the next unit mile above; for distances less than one-half mile, the unit mile below.

(e) Lines not in Excess of Ten Miles

Another important feature in the application of these distances is that the railroad company whose line does

not exceed 10 miles in length may assess and collect freight charges on any shipment transported by it between any points on its line as if the shipment were carried 10 miles. It should be understood that throughout the South many logging and tap lines have been built whose mileage does not exceed this figure, and the intent of this rule is to accord them a basis of rates somewhat higher than would ordinarily obtain.

CHAPTER VI

INTRASTATE RATES IN SOUTHERN TERRITORY—Continued

1. TENNESSEE

The Railroad Commission of this state, on February 20, 1914, issued an order establishing the rates then published by the carriers as maximum rates until otherwise ordered. A specimen table of these rates applying from Memphis, Tenn., to Decherd, Tenn., also to Chattanooga, is shown in Table 4.

TABLE 4

CLASS RATES FROM MEMPHIS, TENN., TO LOCAL STATIONS ON
THE NASHVILLE, CHATTANOOGA & ST. LOUIS RAIL-
WAY IN TENNESSEE

FROM MEMPHIS, TENN., To	MILES	RATES IN CENTS PER 100 POUNDS EXCEPT AS NOTED													
		Classes ¹													
		1	2	3	4	5	6	A	B	C	D	E	H	F ²	
Montgomery Park.....	4.3	12	10	9	8	7	6	6	6	6	6	7	8	12	
Berclaïre.....	9.1	18	15	13	12	10	8	7	7	7	7	10	12	14	
Mullins.....	12.2	23	20	17	15	13	11	9	9	9	9	13	15	18	
Cordova.....	16.6	25	22	18	16	14	12	10	10	10	10	14	16	20	
Eads.....	24.8	28	24	19	17	15	13	11	11	11	11	15	17	22	
Laconia.....	49.4	37	32	27	23	20	18	16	16	13	13	20	23	26	
Denmark.....	72.2	45	40	34	28	23	21	19	19	15	15	23	28	30	
Lurry.....	99	49	43	37	30	26	23	21	21	15	15	26	30	30	
Wildersville.....	122.3	52	46	40	33	29	26	24	24	16	16	29	33	32	
Hollow Rock Jet.....	143.5	54	47	42	35	30	27	25	25	16	16	30	35	32	
Dickson.....	196.2	64	54	46	38	30	29	28	28	18	18	30	38	36	
Nashville.....	290.8	50	40	35	27	23	19	18	23	11	11	23	23	20	
Decherd.....	319.6	83	75	61	50	43	37	34	42	24	24	43	50	48	
Chattanooga.....	313	70	60	53	43	37	26	16	25	21	17	30	35	34	

¹Governed by the Southern Classification.

²Per barrel.

It will be observed from Table 4 that to Nashville and Chattanooga rates are published which are considerably less than those applying to intermediate points. In the

case of the former, this is due to the competition on the Cumberland River.

The rates to Chattanooga are compelled by market competition and are practically the same as those applying to Chattanooga from Cincinnati, Ohio, which were prescribed by the Interstate Commerce Commission as maximum rates in 1910.¹ If the merchants of Memphis are to be afforded an opportunity to compete with the Cincinnati merchants, the distance between the respective points being practically the same, it naturally follows that they must do so on practically the same scale of rates. The distance from Cincinnati to Chattanooga via the Cincinnati, New Orleans & Texas Pacific Railway is 338 miles, while the distance from Memphis, Tenn., to Chattanooga via the Southern Railway is 313 miles.

It must also be remembered that through water routes from Memphis, Tenn., to Tennessee River landings are available for practically ten months of the year and consequently limit to a great extent the measure of rates that may be exacted to such points.

Another line of representative rates between Tennessee points is shown in Table 5.

2. FLORIDA

As is the case in so far as Georgia is concerned, the Railroad Commission of Florida prescribes maximum rates, a freight classification, and mileages to be applied upon traffic moving within the state. These state rates are usually applied in constructing rates on interstate traffic in the following manner.

Reference to the Atlas of Traffic Maps will indicate that the larger portion of this state lies south of Jack-

¹18 I. C. C. Rep., 440.

TABLE 5

CLASS RATES BETWEEN MEMPHIS, TENN., AND STATIONS ON THE ILLINOIS CENTRAL RAILROAD IN TENNESSEE

FROM MEMPHIS, TENN., To	MILES	RATES IN CENTS PER 100 POUNDS EXCEPT AS NOTED													
		Classes ¹													
		1	2	3	4	5	6	A	B	C	D	E	H	F ²	
Frayser.....	9	12	10	9	8	7	6	6	6	5	5	6	6	10	
Lucy.....	13	15	13	12	11	10	9	9	9	6	6	9	9	12	
Tipton.....	23	20	17	15	13	12	11	11	11	7	7	11	11	14	
Atoka.....	26	23	20	17	15	14	14	13	13	9	8	13	13	16	
Brighton.....	30	30	25	21	18	17	16	15	16	12	11	16	17	22	
Curve.....	59	43	37	33	30	27	23	18	20	19	18	22	25	36	
Obion.....	96	53	43	35	32	29	25	20	22	21	20	24	30	40	
Pierce.....	117	55	45	35	32	29	25	20	22	21	20	24	30	40	

¹ Governed by the Southern Classification.² Per barrel.

sonville, Fla., which is the principal base point in the state. As Jacksonville is also one of the principal South Atlantic Ports, it naturally enjoys very low rates from the eastern seaboard in connection with the water lines serving it. The rates established by the water lines practically fix the rates which may be charged from interior northern cities. Also, as has been stated, the market competition between the eastern and western territories results in comparatively low rates from the West because of the low charges the East is able to exact. Consequently, as a rule, rates are made to inland points in Florida by adding to the rates to Jacksonville the local rates prescribed by the Railroad Commission of Florida for the class of railroads over which the inland haul is made.

Representative rates are indicated in Table 6.

As in the other cases, violations of the long-and-short-haul clause under this adjustment exist subject to approval by the state and interstate commissions; in fact, rates are published from northern points of origin to Key West which are considerably lower than the rates to Jacksonville. These, however, are applicable only upon

TABLE 6¹

SCHEDULE OF FREIGHT TARIFFS OPERATED IN THE STATE OF FLORIDA BY THE FLORIDA EAST
COAST RAILWAY, EFFECTIVE NOVEMBER 1, 1910

DISTANCES	CLASS RATES IN CENTS PER 100 POUNDS																Per Barrel	Per 100 Lbs.	Per Ton, 2000 Lbs.			Per Carload			Per 100 Lbs.	Per Standard Box		Per Standard Crate
	1	2	3	4	5	6	A	B	C	D	E	H	F	K	L	M			N	O	P	G						
																						C.L.	L.C.L.					
10 Miles and under.....	24	21	20	15	14	13	10	9	8	6	14	15	12		7	75	1 00		8	00	10 00		8	11	6	9		
20 " " over 10 Miles.....	28	26	24	19	17	15	12	11	11	8	17	19	15		8	90	1 10		9	00	12 00		9	11	6	9		
30 " " " 20 Miles.....	32	30	28	23	20	18	13	12	12	9	20	23	18		9	1 05	1 20		10	00	14 00		10	13	7	10		
40 " " " 30 Miles.....	36	34	32	27	23	19	14	13	13	10	23	27	19		10	1 20	1 30		11	00	16 00		11	9	12	7		
50 " " " 40 Miles.....	40	38	35	30	25	20	15	14	14	11	25	30	20		10½	1 30	1 40		12	00	18 00		12	10	13	8		
60 " " " 50 Miles.....	44	42	38	32	29	23	16	15	15	12	29	32	22		11	1 40	1 50		13	00	20 00		13	11	14	8		
70 " " " 60 Miles.....	48	46	41	34	30	24	17	17	17	13	30	34	23		11½	1 50	1 60		14	00	22 00		14	12	15	9		
80 " " " 70 Miles.....	52	50	43	36	32	25	18	18	18	14	32	36	24		12	1 60	1 70		15	00	24 00		15	13	16	9		
90 " " " 80 Miles.....	56	53	46	38	33	26	19	19	19	14	33	38	25		12½	1 70	1 75		16	00	26 00		16	14	17	10		
100 " " " 90 Miles.....	60	55	49	39	34	28	20	20	20	14	34	39	26		13	1 75	1 80		17	00	28 00		17	15	18	10		
110 " " " 100 Miles.....	62	58	50	41	35	30	21	21	21	15	35	41	29		13½	1 80	1 90		18	00	30 00		18	16	19	11		
120 " " " 110 Miles.....	64	60	53	42	36	31	22	22	22	17	36	42	30		14	1 85	1 95		19	00	32 00		19	17	20	11		
130 " " " 120 Miles.....	66	61	55	43	37	32	23	23	23	18	37	43	31		14½	1 90	2 00		20	00	34 00		20	18	21	12		
140 " " " 130 Miles.....	68	62	57	45	38	33	24	24	24	18	38	45	32		15	1 95	2 05		21	00	36 00		21	19	22	12		
150 " " " 140 Miles.....	70	63	59	47	39	35	25	25	25	18	39	47	33		15½	2 00	2 10		22	00	38 00		22	20	23	13		
160 " " " 150 Miles.....	72	65	59	49	41	36	26	26	26	19	41	49	34		16	2 05	2 15		23	00	40 00		23	20	23	13		
170 " " " 160 Miles.....	74	67	60	50	42	37	27	27	27	20	42	50	35		16½	2 10	2 20		24	00	42 00		24	21	24	14		
180 " " " 170 Miles.....	76	68	61	53	43	38	28	28	28	21	43	53	36		17	2 15	2 25		25	00	44 00		24½	21	24	14		
190 " " " 180 Miles.....	77	69	63	54	44	39	29	29	29	21	44	54	37		17½	2 16	2 22		26	00	46 00		25	22	25	15		
200 " " " 190 Miles.....	78	70	64	55	45	40	30	29	29	21	45	55	39		18	2 17	2 23		27	00	48 00		25½	22	25	15		

¹This table is a reproduction from the seventeenth annual report of the Railroad Commission of the state of Florida by the Florida Classification. The rates are governed

TABLE 6—CONTINUED¹
SCHEDULE OF FREIGHT TARIFFS OPERATED IN THE STATE OF FLORIDA BY THE FLORIDA EAST
COAST RAILWAY, EFFECTIVE NOVEMBER 1, 1910

DISTANCES	CLASS RATES IN CENTS PER 100 POUNDS																Per Barrel	Per 100 Lbs.		Per Ton, 2000 Lbs.			Per Carload			Per 100 Lbs.	Per Standard Box		Per Standard Crate
																	Per												
																	F	K	L	M	N	O	P	R	G				
	1	2	3	4	5	6	A	B	C	D	E	H								c.l.	L.C.L.	V	c.l.	L.C.L.					
	80	71	64	56	46	41	31	30	30	21	46	56	40	18	2 18	2 24	38	00	31	00	26	23	26	16	19	16	19		
210 Miles and over	82	72	65	57	47	43	32	31	31	22	47	57	41	18	2 19	2 25	39	00	31	00	26	23	26	16	19	16	19		
220 "	83	73	66	58	48	44	33	32	32	23	48	58	42	18	2 20	2 26	39	00	31	00	27	24	27	17	20	17	20		
230 Miles..	84	74	67	59	50	45	34	33	33	24	50	59	43	18	2 21	2 27	39	00	32	00	27	24	27	17	20	17	20		
240 "	85	75	68	61	51	46	35	34	33	25	51	61	44	18	2 22	2 28	40	00	32	00	28	25	28	18	21	18	21		
250 Miles..	86	76	69	62	52	47	36	35	34	25	52	62	45	20	2 23	2 29	41	00	32	00	28	25	28	18	21	18	21		
260 Miles..	87	77	70	63	54	48	37	36	35	25	54	63	46	20	2 24	2 30	41	00	33	00	29	26	29	19	22	19	22		
270 Miles..	88	78	71	64	54	49	38	37	36	26	54	64	47	20	2 25	2 31	42	00	33	00	29	26	29	19	22	19	22		
280 "	89	79	72	65	55	51	39	38	37	26	55	65	48	20	2 26	2 32	42	00	33	00	30	27	30	20	23	20	23		
290 Miles..	90	80	74	66	56	52	40	39	37	27	56	66	50	20	2 27	2 33	43	00	34	00	30	27	30	20	23	20	23		
300 Miles..	91	81	75	67	57	53	41	40	39	27	57	67	51	21	2 28	2 34	43	00	34	00	31	28	31	21	24	21	24		
310 Miles..	92	82	76	68	59	54	42	40	40	27	59	68	52	21	2 29	2 35	44	00	34	00	31	28	31	21	24	21	24		
320 Miles..	93	83	77	69	59	55	43	41	41	27	59	69	53	21	2 30	2 36	44	00	35	00	32	28	31	21	24	21	24		
330 Miles..	94	84	78	69	60	55	43	41	41	28	60	69	53	22	2 31	2 37	45	00	35	00	32	29	32	22	25	22	25		
340 Miles..	95	85	78	70	60	56	43	42	42	28	60	70	54	22	2 32	2 38	45	00	35	00	33	29	32	22	25	22	25		
350 Miles..	96	86	79	70	60	56	44	42	42	29	60	70	54	22	2 33	2 39	46	00	35	00	34	29	32	22	25	22	25		
360 "	97	87	79	70	60	56	45	42	42	29	60	70	54	22	2 34	2 40	46	00	35	00	34	30	33	23	26	23	26		
370 Miles..	98	88	80	71	61	57	45	43	43	30	61	71	55	23	2 35	2 43	47	00	36	00	35	30	33	23	26	23	26		
380 Miles..	99	89	81	71	61	57	45	43	43	30	61	71	55	23	2 36	2 46	47	00	36	00	35	30	33	23	26	23	26		
390 Miles..	100	90	82	72	62	57	45	43	43	31	62	72	55	23	2 37	2 50	48	00	36	00	36	31	34	24	27	24	27		

¹This table is a reproduction from the seventeenth annual report of the Railroad Commission of the state of Florida. The rates are governed by the Florida Classification.

TABLE 6—CONTINUED¹

SCHEDULE OF FREIGHT TARIFFS OPERATED IN THE STATE OF FLORIDA BY THE FLORIDA EAST COAST RAILWAY, EFFECTIVE NOVEMBER 1, 1910

DISTANCES	CLASS RATES IN CENTS PER 100 POUNDS														Per Barrel	Per 100 Lbs.	Per Ton, 2000 Lbs.				Per Carload				Per 100 Lbs.	Per Standard Box	Per Standard Crate
															Per Barrel	Per 100 Lbs.	L	M	N	O	P	R	G		V		
	1	2	3	4	5	6	A	B	C	D	E	H	F	K	L	M	N	O	P	R	C.L.	L.C.L.	C.L.	L.C.L.	V		
410 Miles and over	101	91	83	73	63	58	46	44	44	32	63	73	56	24	2 38	2 51	51 00	37 00	For Class P Rates, see page 156.				37	31	34	24	27
420 "	102	92	83	73	63	58	46	44	44	32	63	73	56	24	2 38	2 51	51 00	37 00				31	34	24	27		
430 "	103	93	83	73	63	58	46	44	44	32	63	73	56	24	2 38	2 51	51 00	37 00				37	32	35	25		
440 "	104	94	84	74	64	59	47	45	45	33	64	74	57	25	2 39	2 52	51 00	38 00				38	32	35	25		
450 "	105	95	84	74	64	59	47	45	45	33	64	74	57	25	2 39	2 52	51 00	38 00				38	32	35	25		
460 "	106	96	84	74	64	59	47	45	45	33	64	74	57	25	2 39	2 52	51 00	38 00				38	33	36	26		
470 "	107	97	85	75	65	60	48	46	46	34	65	75	58	26	2 40	2 53	51 00	39 00				39	33	36	26		
480 "	108	98	85	75	65	60	48	46	46	34	65	75	58	26	2 40	2 53	51 00	39 00				39	33	36	26		
490 "	109	99	85	75	65	60	48	46	46	34	65	75	58	26	2 40	2 53	51 00	39 00				39	34	37	27		
500 "	110	100	86	76	66	61	49	47	47	35	66	76	59	27	2 41	2 54	53 00	40 00				40	34	37	27		
510 "	111	101	86	76	66	61	49	47	47	35	66	76	59	27	2 41	2 54	53 00	40 00				40	34	37	27		
520 "	112	102	86	76	66	61	49	47	47	35	66	76	59	27	2 41	2 54	53 00	40 00				40	35	38	28		
530 "	113	103	87	77	67	62	50	48	48	36	67	77	60	28	2 42	2 55	54 00	41 00				41	35	38	28		
540 "	114	104	87	77	67	62	50	48	48	36	67	77	60	28	2 42	2 55	54 00	41 00				41	35	38	28		
550 "	115	105	87	77	67	62	50	48	48	36	67	77	60	28	2 42	2 55	54 00	41 00				41	36	39	29		

¹This table is a reproduction from the seventeenth annual report of the Railroad Commission of the state of Florida. The rates are governed by the Florida Classification.

traffic destined to Cuba and are not available for domestic use.

TABLE 7

DISTANCES PRESCRIBED BY FLORIDA RAILROAD COMMISSION FOR
APPLICATION ON LOCAL TRAFFIC BETWEEN POINTS
ON THE EAST COAST OF FLORIDA

DISTANCE FROM JACKSONVILLE, FLA., To	MILES	DISTANCE FROM JACKSONVILLE, FLA., To	MILES
Bowden.....	5	Bayard.....	15
Sunbeam.....	9	Woodland.....	24
St. Augustine.....	47	Armstrong.....	49
Hastings.....	54	East Palatka.....	62
Roy.....	69	Neoga.....	80
DuPont.....	90	Highwood.....	98
Ormond.....	104	Daytonia.....	110
Port Orange.....	115	New Smyrna.....	125
Oak Hill.....	136	East Mims.....	150
Pritchards.....	158	Cocoa.....	173
Melburne.....	194	Malabar.....	200
Sebastian.....	215	Gifford.....	225
Fort Pierce.....	242	Ancona.....	249
Eden.....	254	Stuart.....	262
West Palm Beach.....	299	Delray.....	317
Fort Lauderdale.....	341	Miami.....	366
Perrine.....	382	Homestead.....	394
Jewfish.....	415	Central Supply.....	444
Long Key.....	458	Marathon.....	475
Cudjoe.....	500	Key West.....	522

The close proximity of Key West to Cuba is attracting a considerable volume of traffic to that port, but as this adjustment is specifically dealt with in the treatise devoted to export rates,² we deem it unnecessary to go into it at this time.

The contour of Florida is such that water competition is a controlling factor in the adjustment of rates from and to many points, Jacksonville forming the principal port of entry on the east coast, although irregular sailings are made to Fernandina. Tampa, Carrabelle,

²Part 4 of "Freight Rates—Western Territory."

Pensacola, and Apalachicola on the west coast afford safe harbors for steamers and sailing craft operating between these ports and Mobile, Ala., New Orleans, La., and Galveston, Tex.

(a) Joint Rates

The rule of the Florida Railroad Commission with reference to the construction of joint rates is that in the case of shipments which pass over the whole or portions of two or more roads not under the same control, the maximum rate charged shall not be greater than the sum of the local rates on such freights, less 10 per cent for the distance hauled over each road; in the case of shipments passing over three or more roads, the maximum rate shall not be greater than the sum of the local rates on such freights, less 20 per cent for the distance hauled over each road. The total rate thus ascertained on such freights, from the point of shipment to the point of destination, shall be divided in such proportion between the railroads over which such freights pass as to give to each railroad interested in the shipment its local rate, less 10 per cent in the case of shipments over two roads, and less 20 per cent in the case of shipments over three or more roads, for the distance such shipment is hauled, conditioned upon the initial line delivering the traffic to the delivering line at its nearest junctional point.

3. NORTH CAROLINA

The scale of rates prescribed by the general assembly of the state of North Carolina was alleged by the carriers to be unremunerative and therefore unreasonable. For this reason, the governor of the state appointed a special commission to investigate the claims of the car-

riers and as a result the rates indicated in Table 8 were adopted for the use of the carriers operating within this state.

The general rules prescribed for the application of this basis of rates are as follows:

(1) The rates are subject to the Southern Classification, except where lower ratings are or may be published by the North Carolina Corporation Committee, in which case the lower ratings shall prevail.

(2) When rates are not shown for the exact distance, the charge shall be the rate prescribed for the nearest distance. In cases where the haul is equidistant, the charge shall be that for the next higher distance.

(3) When one railroad company has two or more routes between given points, the rates shall be based on the shortest route. On joint hauls the lines handling the traffic shall base their rates upon the shortest practicable route having physical connection.

(4) For joint hauls over two or more independently controlled railroads under the management of companies operating seventy-five or more miles of railroad within this state, add the following to the straight mileage rates for the total combined distance:

Classes ³ .	1	2	3	4	5	6	A	B	C	D	E	H	F
Rates...	5	4	3	3	2	2	2	2	2	2	2	1	4

In the absence of an agreed basis of division between roads participating in a joint haul, locals shall be used as factors in dividing, after first deducting the cost of transfer, if any, at interchange point.

(5) The minimum charge on small shipments shall be for actual weight at the tariff rate, but not less than 25 cents for a haul over one road, or 30 cents for a joint haul over two roads, or 40 cents for a joint haul over three or more roads.

³Unless otherwise provided, the rates for Class F are in cents per barre and for the other classes in cents per 100 pounds.

TABLE 8¹
 SCHEDULE OF MAXIMUM REASONABLE RATES² OF FREIGHT
 NORTH CAROLINA, 1914

	PER HUNDRED POUNDS											PER TON	PER CARLOAD			Lumber, Carload 30,000 Lbs. Per 100 Pounds	Molasses in Hhds. and Bbls. Per 100 Pounds	Rough Logs, Carload, 40,000 Pounds	Cotton in Bales, Per 100 Pounds	Ferti- lizer Per Ton, Carload 12 Tons
	1	2	3	4	5	6	A	B	C	D	K	L	N	O	P					
5 miles and under	\$.12	\$.10	\$.08	\$.07	\$.06	\$.05	\$.04	\$.05	\$.04	\$.03	\$.50	9.00	7.00	5.00	.02	\$.04	\$.00	.07	\$.60	
10 miles and over	.15	.13	.11	.09	.08	.06	.05	.06	.05	.04	.60	10.00	8.00	6.50	.02½	.05	5.00	.09	.75	
15 miles and over	.18	.15	.13	.11	.09	.07	.06	.07	.06	.04½	.70	11.00	9.00	7.50	.03	.05½		.11	.85	
20 miles and over	.21	.18	.16	.13	.10	.08	.07	.08	.07	.05	.75	12.00	10.00	8.50	.03½	.06	6.00	.13	.95	
25 miles and over	.24	.20	.18	.14	.11	.09	.08	.09	.09	.08	.80	14.00	11.00	9.50	.03½	.06½		.14	1.05	
30 miles and over	.27	.23	.20	.16	.12	.10	.08	.10	.10	.08	.85	16.00	11.00	10.50	.04	.07	7.00	.15	1.10	
35 miles and over	.29	.25	.21	.17	.13	.10	.09	.11	.10	.09	.90	17.00	12.00	11.50	.04	.07½		.16	1.15	
40 miles and over	.31	.26	.22	.18	.14	.11	.09	.11	.10	.09	.95	18.00	12.00	12.00	.04	.08	8.00	.17	1.20	
45 miles and over	.33	.27	.23	.19	.14	.11	.10	.12	.11	.09	.06½	1.00	19.00	13.00	12.00	.04½	.08½		.18	1.25
50 miles and over	.35	.28	.24	.20	.15	.12	.10	.12	.11	.09	.06½	1.00	20.00	13.00	12.00	.04½	.09	9.00	.19	1.30
55 miles and over	.36	.29	.25	.20	.16	.12	.11	.13	.11	.10	.07	1.05	21.00	14.00	13.00	.04½	.09		.20	1.35
60 miles and over	.37	.30	.26	.21	.16	.13	.11	.13	.11	.10	.07	1.05	22.00	14.00	13.00	.05	.10	10.00	.21	1.40
65 miles and over	.38	.31	.27	.21	.17	.13	.12	.14	.12	.10	.07	1.10	23.00	15.00	13.00	.05	.10		.22	1.45
70 miles and over	.39	.32	.28	.21	.17	.14	.12	.14	.12	.10	.07½	1.10	24.00	15.00	14.00	.05	.11	11.00	.22	1.50
75 miles and over	.40	.33	.29	.22	.18	.14	.12	.15	.12	.10	.07½	1.15	25.00	16.00	14.00	.05½	.11		.23	1.55
80 miles and over	.41	.34	.30	.22	.18	.15	.13	.15	.13	.11	.07½	1.15	26.00	16.00	14.00	.05½	.12	12.00	.23	1.60
85 miles and over	.42	.35	.30	.22	.19	.15	.13	.16	.13	.11	.08	1.20	27.00	17.00	15.00	.05½	.12		.24	1.65
90 miles and over	.43	.36	.31	.22	.19	.15	.13	.16	.13	.11	.08	1.20	28.00	17.00	15.00	.05½	.13	13.00	.24	1.70
95 miles and over	.44	.37	.31	.23	.19	.16	.14	.16	.13	.11	.08	1.25	29.00	18.00	15.00	.06	.13		.25	1.75
100 miles and over	.45	.38	.32	.24	.20	.16	.14	.17	.14	.12	.08	1.25	29.00	18.00	16.00	.06	.14	14.00	.25	1.80
110 miles and over	.47	.40	.33	.25	.20	.16	.14	.17	.14	.12	.08½	1.30	30.00	19.00	16.00	.06	.15	15.00	.26	1.85

120 miles and over 110	.49	.42	.34	.25	.21	.17	.15	.13	.08½	1.30	31.00	20.00	17.00	.06½	.16	16.00	.27	1.90
130 miles and over 120	.51	.44	.35	.26	.21	.17	.15	.13	.09	1.35	32.00	20.00	17.00	.06½	.17	17.00	.28	1.95
140 miles and over 130	.53	.45	.36	.26	.22	.18	.16	.14	.09	1.35	33.00	21.00	18.00	.06½	.18	18.00	.29	2.00
150 miles and over 140	.55	.47	.37	.27	.22	.18	.16	.14	.09	1.40	34.00	21.00	19.00	.07	.18	19.00	.30	2.10
160 miles and over 150	.57	.48	.39	.29	.24	.19	.16	.14	.09½	1.40	34.00	22.00	19.00	.07	.19	20.00	.31	2.20
170 miles and over 160	.59	.49	.40	.30	.26	.20	.17	.15	.09½	1.50	35.00	22.00	20.00	.07	.19	21.00	.32	2.25
180 miles and over 170	.60	.50	.41	.31	.26	.20	.17	.15	.10	1.50	35.00	23.00	20.00	.07½	.20	21.00	.33	2.30
190 miles and over 180	.61	.51	.42	.32	.28	.21	.17	.15	.10	1.55	36.00	23.00	21.00	.07½	.20	22.00	.34	2.35
200 miles and over 190	.62	.52	.43	.33	.29	.22	.17	.15	.10½	1.55	37.00	24.00	21.00	.07½	.21	22.00	.35	2.40
210 miles and over 200	.63	.53	.44	.34	.29	.22	.17	.15	.10½	1.60	38.00	24.00	22.00	.08	.21	23.00	.36	2.45
220 miles and over 210	.64	.54	.45	.35	.30	.23	.18	.15	.11	1.60	39.00	25.00	22.00	.08	.21	23.00	.36	2.50
230 miles and over 220	.64	.54	.45	.35	.30	.23	.18	.15	.11	1.65	40.00	25.00	23.00	.08	.21	24.00	.37	2.55
240 miles and over 230	.65	.55	.45	.35	.30	.23	.19	.15	.11½	1.65	40.00	26.00	23.00	.08	.22	24.00	.37	2.60
250 miles and over 240	.65	.55	.45	.35	.30	.23	.19	.15	.11½	1.70	41.00	26.00	23.00	.08½	.22	25.00	.38	2.65
260 miles and over 250	.65	.55	.45	.36	.30	.23	.19	.15	.12	1.70	41.00	27.00	24.00	.08½	.22	25.00	.38	2.70
270 miles and over 260	.66	.56	.46	.36	.31	.23	.20	.15	.12	1.75	42.00	27.00	24.00	.08½	.22	26.00	.39	2.75
280 miles and over 270	.66	.56	.46	.36	.31	.23	.20	.15	.12½	1.75	42.00	28.00	24.00	.08½	.23	26.00	.39	2.80
290 miles and over 280	.67	.57	.47	.37	.31	.24	.21	.16	.13	1.85	43.00	29.00	25.00	.09	.23	27.00	.40	2.90
300 miles and over 300	.68	.58	.48	.38	.31	.24	.21	.16	.14	1.95	44.00	30.00	26.00	.09½	.23	27.50	.41	3.00
320 miles and over 320	.69	.59	.49	.39	.31	.24	.21	.16	.14	2.05	45.00	31.00	27.00	.10	.24	28.00	.42	3.10
340 miles and over 340	.70	.59	.49	.39	.32	.24	.21	.16	.15	2.15	46.00	32.00	28.00	.10½	.24	28.50	.43	3.20
360 miles and over 360	.71	.60	.50	.40	.33	.25	.22	.17	.15	2.25	47.00	33.00	29.00	.11	.24	29.00	.43	3.30
380 miles and over 380	.72	.61	.50	.40	.33	.25	.22	.17	.16	2.35	48.00	34.00	30.00	.11½	.25	30.00	.44	3.40
400 miles and over 400	.73	.62	.51	.41	.34	.26	.22	.17	.16	2.45	49.50	35.00	31.00	.11½	.25	30.50	.44	3.50
420 miles and over 420	.74	.62	.51	.41	.34	.26	.22	.17	.17	2.55	50.00	36.00	32.00	.12	.25	31.00	.45	3.60
440 miles and over 440	.75	.63	.52	.41	.34	.26	.22	.17	.17	2.65	51.00	37.00	33.00	.12	.25	31.50	.45	3.60
460 miles and over 460	.76	.63	.52	.42	.35	.27	.23	.18	.18	2.75	52.00	38.00	34.00	.13	.26	32.00	.45	3.70
480 miles and over 480	.77	.64	.53	.42	.35	.27	.24	.18	.18	2.75	52.00	39.00	35.00	.13	.26	32.50	.45	3.70

¹This table is reproduced from the report of the Special Rate Commission of North Carolina.

²The rates in this table are governed by the Southern Classification. The rates for Classes C and D, earload shipments, are 20 per cent less than the rates shown, including hay in straight or mixed earloads with grain or grain products other than flour.

4. WEST VIRGINIA

Practically all of the local traffic in West Virginia is handled subject to the Official Classification.

Both the Norfolk and Western Railway and the Chesapeake & Ohio Railway use the Official Classification as their basis for rates and employ in connection therewith a distance scale of rates which they have devised. Being in active competition with the northern trunk lines and their C. F. A. connections for business from and to the eastern seaboard, it naturally follows that the rates charged are fixed by those applied by the northern lines upon like traffic between like points. Charleston, Kenova, Huntington, Parkersburg, and Wheeling, W. Va., will be recalled as Western Termini Points.⁴

In such cases, however, where the rates are made subject to the Southern Classification, the rates are made by the carriers and approved by the railroad commission of the state.

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⁴See Traffic Glossary.

CHAPTER VII

INTRASTATE RATES IN SOUTHERN TERRITORY—Continued

1. KENTUCKY

In the northern part of the state the line of the Chesapeake & Ohio Railway follows the Ohio River from Ashland to Cincinnati and the C. F. A. scale is applied between the stations thereon. Similarly, the south bank lines operating between Cincinnati and Louisville are in competition with the north bank lines serving the same points. Both the north bank and the south bank lines are, in turn, in competition with the river lines. This has resulted in a very low scale of rates being maintained by the respective companies. The south bank lines, however, do not apply the low rates so established to intermediate points, but hold them on a somewhat higher basis.

TABLE 9
KENTUCKY DISTANCE RATES

MILES	CENTS PER 100 POUNDS												CENTS PER BBL.	CENTS PER 100 LBS.	CENTS PER TON	
															2,000 LBS.	2,240 LBS.
	Classes ¹															
	1	2	3	4	5	6	A	B	C	D	E	H	F	K	L	M
10...	10	9	8	7	7	6	6	6	5	5	6	6	10	3	60	90
20...	14	12	11	9	8	7	7	7	9	7	7	8	14	4	80	100
40...	24	22	20	15	12	10	10	13	10	9	12	15	18	5	100	120
50...	25	24	21	15	13	10	10	13	10	10	13	15	20	6	100	130
100...	28	27	24	18	16	14	14	18	11	11	16	17	20	8	120	180
150...	49	40	37	29	25	23	20	26	23	15	26	33	38	9	170	220
200...	61	51	47	36	32	28	20	26	23	18	32	33	38	10	195	240

¹Governed by the Southern Classification.

TABLE 9—Continued

KENTUCKY DISTANCE RATES

MILES	DOLLARS PER CAR			CENTS PER 100 POUNDS						
	Classes ¹									
	N									
	Live Stock									
	Horses, Mules, and Cattle	Single Deck		O	P	R	RR	S	T	W
		Hogs	Sheep							
10.....	10 -	10	9	3	3	4	3	3	2	4
20.....	12	12	10	4	4	5	3½	4	3	5
40.....	16	17	15	5	5	6	4¼	5	4	6
50.....	17	18	16	5	5	7	5	6	4	6
100.....	29	30	21	8	5	7½	5¼	6	4	9
150.....	34	36	26	10	9	11	8	7	7	11
200.....	44	40	31	11	10	12	8½	9	8	11

¹Governed by the Southern Classification.

No maximum rates are established by the Kentucky Railroad Commission, but the rates established by the carriers are subject to a ratification by that board. In Table 9 are given rates between some points for representative distances, which may be taken as typical of those employed within the state.

In Table 10 are given some intrastate and interstate rates which are influenced by competitive conditions.

TABLE 10

ALL-RAIL RATES BETWEEN PADUCAH, KY., AND SPECIFIED POINTS IN KENTUCKY AND INDIANA

BETWEEN PADUCAH, KY., AND	RATES IN CENTS PER 100 POUNDS EXCEPT AS NOTED											
	Classes ¹											
	1	2	3	4	5	6	A	B	C	D	E	F ²
Louisville, Ky.....												
Jeffersonville, Ind.....												
New Albany, Ind.....	35	29	25	19	15	13	12	15	13	11	13	20
Owensboro, Ky.....												
Henderson, Ky.....												
Evansville, Ind.....	34	29	24	18	13	11	9	11	9	8	13	14 16

¹Governed by the Southern Classification.²Per barrel.

2. VIRGINIA

The Railroad Commission of Virginia, in addition to prescribing classification rules and regulations relating to storage, demurrage car service, and the transportation of explosives by carriers, establishes mileage class and commodity rates for carriers within its borders.

In prescribing these rates, the commission paid particular heed to the density of the traffic in the various parts of the state. Rates for districts where the traffic was dense were made lower than the rates applicable in other sections of the country. Thus, we find a lower scale of state rates applicable between all stations on the Washington, Danville, and Richmond divisions of the Southern Railway (see Table 11) than is applicable on the Norfolk Division (see Table 12).

In Table 11 are given the class rates applicable upon indicated branches of the Southern Railway, while in Table 12 are given similar rates over different divisions of the same railway. The rates set forth in these tables were authorized by the State Corporation Commission of Virginia, December 31, 1913.

Specific distance rates are also announced to apply in connection with the Southern Railway upon the following commodities: Concrete blocks, grain and mill products, fertilizers, fire wood, logs, bark, lumber, and pulp wood. The list of commodity rates is not nearly as comprehensive as that announced for other lines operating in the state. For example, in Table 13 are indicated the number of rates applicable upon the Norfolk and Western Railway. It will be observed from this table that this is in a measure a continuation of the class scale.

Representative commodities assigned to these additional groups are set forth in Table 14.

92 FREIGHT RATES: SOUTHERN TERRITORY

TABLE 11

SOUTHERN RAILWAY COMPANY—CLASS RATES¹

APPLICABLE AS FOLLOWS:

- (a)—Between stations on Norfolk Division.
 (b)—Between stations on Keysville Branch in Virginia.
 (c)—Between any station on Norfolk Division and any station on Richmond, Washington or Danville Divisions in Virginia.
 (d)—Between any station on Keysville Branch in Virginia and any station on Norfolk, Richmond, Washington or Danville Divisions in Virginia.

DISTANCES	Per 100 pounds											Per bbl.	Per 100 lbs.		Per ton of 2,000 pounds		Per carload of 20,000 lbs.			
	1	2	3	4	5	6	A	B	C	D	E		H	F	J	K	L	M	N	O	P
5 miles and under.....	15	13	12	10	8	7	6	7	6	5	8	10	12	8	4	70	75	9 00	8 00	7 00
10 and over 5 miles....	18	16	14	11	9	8	7	9	7	6	9	11	14	9	5	75	80	10 00	9 00	8 00
15 and over 10 miles....	22	18	15	13	11	9	8	9	8	7	11	13	16	10	5½	80	85	11 00	10 00	8 50
20 and over 15 miles....	25	21	18	16	14	10	10	11	9	8	14	16	18	11	6	85	1 00	13 00	12 00	9 00
25 and over 20 miles....	29	25	21	19	17	12	12	12	10	9	17	19	20	12	7	95	1 10	14 00	14 00	10 00
30 and over 25 miles....	33	28	24	22	19	13	13	13	11	10	17	20	20	16	7½	1 00	1 20	15 00	15 00	10 00
35 and over 30 miles....	35	30	25	23	20	14	13	14	12	11	17	20	20	17	7½	1 00	1 20	16 00	15 00	10 00
40 and over 35 miles....	35	30	25	23	20	14	13	14	12	11	17	20	20	18	7½	1 00	1 20	16 00	15 00	10 00
45 and over 40 miles....	38	33	28	23	20	15	14	15	12	11	20	20	22	18	8	1 10	1 40	18 00	16 00	11 00
50 and over 45 miles....	40	35	30	23	20	15	14	15	13	12	20	20	22	19	8	1 10	1 40	19 00	16 00	11 00
55 and over 50 miles....	42	38	33	23	20	16	15	16	13	12	20	20	25	19	9	1 20	1 50	20 00	18 00	12 00
60 and over 55 miles....	45	40	35	24	21	16	16	18	14	13	20	21	26	20	9	1 25	1 50	21 00	18 00	13 00
65 and over 60 miles....	47	42	35	24	21	16	16	19	14	13	21	22	27	21	9	1 30	1 60	24 00	19 00	14 00
70 and over 65 miles....	48	43	36	24	21	16	16	19	15	13	21	23	28	21	9	1 50	1 70	25 00	20 00	15 00
75 and over 70 miles....	52	44	36	24	21	17	16	20	16	14	21	23	28	21	10	1 60	1 80	28 00	20 00	16 00
80 and over 75 miles....	54	45	36	24	21	17	16	20	16	14	21	24	29	21	11	1 70	1 90	30 00	23 00	17 00
85 and over 80 miles....	55	46	36	24	22	17	16	20	17	14	22	25	32	22	12	1 80	2 00	32 00	23 00	18 00
90 and over 85 miles....	55	46	36	25	22	17	16	20	17	14	22	26	32	22	12	1 80	2 10	33 00	23 00	18 00
95 and over 90 miles....	55	47	37	25	22	17	16	20	18	14	22	27	33	22	12	1 80	2 10	33 00	25 00	20 00
100 and over 95 miles....	56	47	37	25	22	17	17	21	18	15	22	28	35	22	12	1 80	2 10	34 00	26 00	20 00
110 and over 100 miles....	56	47	37	26	22	17	17	21	18	15	22	28	35	23	12	1 80	2 10	35 00	26 00	20 00
120 and over 110 miles....	56	48	38	26	22	17	17	21	18	15	22	28	36	23	12	1 80	2 10	36 00	26 00	20 00
130 and over 120 miles....	57	48	39	26	22	18	18	21	18	15	22	29	36	23	12	1 80	2 10	39 00	26 00	20 00
140 and over 130 miles....	57	48	39	27	22	18	18	21	18	15	22	29	36	24	12	1 80	2 10	40 00	26 00	20 00
150 and over 140 miles....	58	48	40	28	22	18	18	21	18	15	22	29	36	24	12	1 80	2 10	40 00	26 00	20 00
160 and over 150 miles....	59	49	40	29	22	18	18	21	18	15	22	29	36	24	12	1 80	2 10	40 00	26 00	20 00
170 and over 160 miles....	59	50	41	29	22	18	18	21	19	15	22	29	37	25	12	1 80	2 10	40 00	26 00	20 00
180 and over 170 miles....	59	50	41	29	22	18	18	21	19	15	22	29	37	25	12	1 80	2 10	40 00	28 00	20 00
190 and over 180 miles....	59	50	41	29	22	18	18	21	19	15	22	29	37	25	12	1 80	2 10	40 00	28 00	21 00
200 and over 190 miles....	59	50	41	29	22	18	18	21	19	15	22	29	37	26	12½	2 00	2 30	42 00	28 00	21 00
210 and over 200 miles....	59	50	41	29	22	18	18	21	19	15	22	29	37	26	12½	2 00	2 30	42 00	28 00	21 00
220 and over 210 miles....	60	51	41	29	23	18	18	22	19	17	23	29	37	26	14	2 00	2 30	42 00	28 00	21 00
230 and over 220 miles....	62	52	41	29	23	19	19	23	19	17	23	29	37	26	14	2 00	2 30	42 00	28 00	22 00
240 and over 230 miles....	63	52	42	30	25	19	19	23	19	17	25	30	38	26	14	2 00	2 30	42 00	28 00	22 00
250 and over 240 miles....	65	54	42	31	27	20	20	24	20	18	27	31	40	26	14	2 10	2 30	44 00	30 00	23 00
260 and over 250 miles....	67	56	44	33	29	21	21	25	22	18	29	33	43	28	15	2 10	2 40	44 00	31 00	24 00
270 and over 260 miles....	69	58	46	35	30	22	22	25	22	20	30	35	45	29	16	2 20	2 40	46 00	32 00	25 00
280 and over 270 miles....	72	60	48	36	31	24	24	26	24	20	31	36	46	30	16	2 25	2 50	46 00	32 00	26 00
290 and over 280 miles....	74	62	48	37	32	26	26	27	24	20	32	37	48	31	17	2 30	2 50	47 00	33 00	26 00
300 and over 290 miles....	75	62	50	37	32	27	26	27	24	21	32	37	49	31	17	2 30	2 60	48 00	34 00	27 00
320 and over 300 miles....	76	64	52	40	34	28	28	29	26	21	34	40	52	32	18	2 30	2 60	49 00	35 00	28 00
340 and over 320 miles....	79	66	53	41	37	29	29	30	26	22	37	41	52	34	19	2 40	2 80	50 00	36 00	29 00
360 and over 340 miles....	82	68	55	42	38	30	30	31	26	22	38	42	53	35	19	2 50	2 90	52 00	37 00	31 00
380 and over 360 miles....	83	68	55	42	39	31	31	32	27	22	39	42	53	36	20	2 60	3 00	54 00	38 00	31 00
400 and over 380 miles....	84	70	57	44	39	32	32	32	27	23	39	44	55	37	20	2 70	3 10	54 00	39 00	31 00
Over 400 miles.....	86	72	57	45	40	32	32	33	29	24	40	45	56	38	22	2 80	3 20	55 00	39 00	32 00

¹These rates were authorized by the State Corporation Commission of Virginia and are governed by the Virginia Classification with Exception Sheet No. 1 thereto.

INTRASTATE RATES IN SOUTHERN TERRITORY 93

TABLE 12

SOUTHERN RAILWAY COMPANY—CLASS RATES¹

APPLICABLE AS FOLLOWS:

(a)--Between all stations on the Washington, Danville and Richmond Divisions in Virginia, except Keysville Branch.

DISTANCES	Per 100 pounds											Per bl.	Per 100 lbs.			Per ton of 2,000 pounds		Per carload of 20,000 lbs.		
	1	2	3	4	5	6	A	B	C	D	E		F	H	J	K	L	M	N	O	P
5 miles and under.....	12	10	8	6	5	4	4	4	4	4	5	8	6	6	3	50	60	7 00	7 00	5 00
10 and over 5 miles.....	16	13	11	9	7	6	6	6	6	6	7	12	9	8	4	60	70	8 00	8 00	6 00
20 and over 10 miles.....	20	16	13	11	9	7	7	7	7	7	9	14	11	10	5	70	80	12 00	9 00	7 00
30 and over 20 miles.....	24	19	15	13	11	10	8	10	8	8	11	16	13	12	6	80	1 00	14 00	10 00	9 00
40 and over 30 miles.....	27	22	17	15	13	10	8	10	9	8	13	18	15	14	6	90	1 10	15 00	11 00	9 00
50 and over 40 miles....	30	24	19	16	14	10	8	10	10	8	14	20	16	14	6	1 00	1 20	16 00	12 00	10 00
60 and over 50 miles.....	33	26	21	17	15	11	9	11	11	9	15	22	17	15	7	1 00	1 20	16 00	13 00	11 00
70 and over 60 miles.....	36	28	23	18	16	11	9	12	12	9	16	24	18	15	7	1 00	1 20	16 00	14 00	12 00
80 and over 70 miles.....	39	30	25	18	16	11	10	13	12	10	16	24	18	16	8	1 10	1 30	18 00	16 00	13 00
90 and over 80 miles.....	40	32	27	18	16	11	11	14	12	10	16	24	18	17	8	1 20	1 40	19 00	17 00	14 00
100 and over 90 miles....	40	34	27	18	16	11	11	15	12	10	16	24	18	18	8	1 30	1 50	19 00	17 00	15 00
110 and over 100 miles....	40	35	27	18	16	11	11	16	12	10	16	24	18	18	9	1 30	1 50	22 00	18 00	16 00
120 and over 110 miles....	42	36	28	19	17	12	12	17	13	11	17	26	19	18	9	1 30	1 50	25 00	22 00	16 00
130 and over 120 miles....	44	37	29	19	17	13	13	17	14	12	17	28	19	18	9	1 30	1 50	28 00	22 00	16 00
140 and over 130 miles....	46	38	31	21	17	14	14	17	14	12	17	28	21	19	9	1 40	1 60	30 00	22 00	16 00
150 and over 140 miles....	47	40	33	23	17	14	14	17	14	12	17	28	23	20	9	1 50	1 70	32 00	22 00	16 00
160 and over 150 miles....	48	41	33	23	18	14	14	18	14	12	18	28	23	20	9	1 55	1 75	33 00	22 00	16 00
170 and over 160 miles....	49	42	33	23	18	15	15	18	14	12	18	28	23	21	10	1 55	1 75	33 00	23 00	16 00
180 and over 170 miles....	49	42	33	23	18	15	15	18	15	13	18	30	23	22	10	1 55	1 75	34 00	24 00	18 00
190 and over 180 miles....	50	43	33	23	19	16	15	19	16	14	19	32	23	22	11	1 60	1 75	34 00	25 00	18 00
200 and over 190 miles....	52	44	34	24	20	16	16	20	16	15	20	32	24	24	11	1 65	1 75	35 00	25 00	18 00
210 and over 200 miles....	54	45	35	25	21	16	16	20	16	15	21	32	25	25	11	1 70	1 75	35 00	25 00	18 00
220 and over 210 miles....	56	46	36	26	22	17	17	21	17	15	22	34	26	25	11	1 70	1 75	35 00	25 00	18 00
230 and over 220 miles....	57	47	37	26	23	17	17	22	17	15	23	34	26	25	11	1 75	1 75	35 00	25 00	19 00
240 and over 230 miles....	58	48	38	27	24	18	18	23	17	15	24	34	27	25	11	1 75	1 75	35 00	25 00	19 00
250 and over 240 miles....	60	49	39	28	25	19	19	23	18	16	25	36	28	26	12	1 80	1 80	36 00	26 00	20 00
260 and over 250 miles....	62	51	41	30	27	21	21	23	19	17	27	38	30	27	13	1 80	1 85	37 00	27 00	21 00
270 and over 260 miles....	63	52	42	31	28	22	22	24	20	18	28	40	32	28	14	1 85	1 90	38 00	28 00	22 00
280 and over 270 miles....	64	53	43	32	28	23	23	24	20	18	28	40	32	28	14	1 85	1 90	39 00	28 00	22 00
290 and over 280 miles....	65	54	43	33	29	24	24	25	21	19	29	42	33	29	15	1 90	1 95	40 00	29 00	23 00
300 and over 290 miles....	66	55	44	33	30	24	24	25	21	19	30	42	33	29	15	1 90	1 95	41 00	29 00	23 00
310 and over 300 miles....	67	56	45	34	31	25	25	26	22	20	31	44	34	30	16	1 95	2 00	41 00	30 00	24 00
320 and over 310 miles....	68	57	46	35	32	26	26	27	23	21	32	46	35	30	16	1 95	2 00	42 00	31 00	25 00
330 and over 320 miles....	70	58	47	36	33	27	27	28	23	21	33	46	36	31	17	2 00	2 05	42 00	31 00	26 00
350 and over 330 miles....	72	59	48	37	34	28	28	28	23	21	34	46	37	33	17	2 05	2 40	46 00	32 00	27 00
375 and over 350 miles....	74	60	50	38	35	29	29	29	23	21	35	46	38	34	18	2 15	2 60	48 00	33 00	28 00
400 and over 375 miles....	76	62	51	39	36	29	29	30	24	21	36	48	39	35	18	2 30	2 80	49 00	34 00	28 00
425 and over 400 miles....	78	64	52	40	36	30	30	30	25	22	36	50	40	36	20	2 40	2 85	49 00	34 00	29 00
450 and over 425 miles....	80	66	53	41	37	30	30	31	25	22	37	50	41	36	20	2 40	2 85	51 00	35 00	30 00
475 and over 450 miles....	81	67	54	41	38	31	31	32	26	22	38	51	41	37	20	2 45	2 85	53 00	36 00	30 00
500 and over 475 miles....	82	68	55	42	38	31	31	32	26	22	38	51	42	37	20	2 45	2 85	54 00	37 00	31 00

¹These rates were authorized by the State Corporation Commission of Virginia and are governed by the Virginia Classification with Exception Sheet No. 1 thereto.

94 FREIGHT RATES: SOUTHERN TERRITORY

TABLE 13

THE NORFOLK AND WESTERN RAILWAY COMPANY—COMMODITY RATES¹

DISTANCES	In cents per 100 pounds										Per ton 2,240 lbs.	Per cord 128 cu. ft.	Per 1,000 Brick	Per ton 2,000 pounds							
	AA	BB	CC	DD	EE	FF	GG	HH	II	JJ	KK	LL	MM	NN	OO	PP	QQ	RR			
6 miles and under....	3	3	5	6	5	3	6	1 $\frac{1}{2}$	2	80	75	50	35	35	35	60	35	25			
10 and over 5 miles....	3	3	5	7	5	3	6	1 $\frac{1}{2}$	2	80	80	80	35	35	35	60	35	25			
11 miles.....	4	4	6	8	5	3 $\frac{1}{2}$	8	1.9	3	90	85	90	38	38	38	70	38	30			
12 miles.....	4	4	6	8	5	3 $\frac{1}{2}$	8	2	3	90	85	90	42	42	42	70	42	30			
13 miles.....	4	4	6	8	5	3 $\frac{1}{2}$	8	2	3	90	85	90	46	45	46	70	45	30			
14 miles.....	4	4	6	8	5	3 $\frac{1}{2}$	8	2	3	90	85	90	50	45	50	70	45	30			
15 miles.....	4	4	6	8	5	3 $\frac{1}{2}$	8	2	3	90	85	90	54	45	54	70	45	30			
16 miles.....	4	4	6	8	5	3 $\frac{1}{2}$	8	2	3	90	90	90	57	50	57	70	50	30			
17 miles.....	4	4	6	8	5	3 $\frac{1}{2}$	8	2	3	90	90	90	60	50	60	70	50	30			
18 miles.....	4	4	6	8	5	3 $\frac{1}{2}$	8	2	3	90	90	90	64	50	64	70	51	30			
19 miles.....	4	4	6	8	5	3 $\frac{1}{2}$	8	2	3	90	90	90	68	50	68	70	54	30			
20 miles.....	4	4	6	8	5	3 $\frac{1}{2}$	8	2	3	90	90	90	70	50	70	70	56	30			
25 and over 20 miles..	5	5	7	9	5	4	10	2	3	1 00	95	1 00	75	55	75	80	60	35			
30 and over 25 miles..	5	5	7	9	5	4	10	2	3	1 00	1 00	1 00	85	60	1 02	80	82	35			
35 and over 30 miles..	5 $\frac{1}{2}$	5 $\frac{1}{2}$	8	10	5	5	11	2	3 $\frac{1}{2}$	1 10	1 05	1 20	95	65	1 14	90	91	40			
40 and over 35 miles..	5 $\frac{1}{2}$	5 $\frac{1}{2}$	8	10	5	5	11	2	3 $\frac{1}{2}$	1 10	1 10	1 20	1 05	70	1 26	90	1 01	40			
45 and over 40 miles..	6	6	8 $\frac{1}{2}$	11	6	5	12	3	3 $\frac{1}{2}$	1 15	1 15	1 40	1 15	75	1 38	1 00	1 10	45			
50 and over 45 miles..	6	6	8 $\frac{1}{2}$	11	6	5	12	3	3 $\frac{1}{2}$	1 15	1 20	1 40	1 15	75	1 38	1 00	1 10	45			
55 and over 50 miles..	6 $\frac{1}{2}$	6 $\frac{1}{2}$	9	12	6	5 $\frac{1}{2}$	13	3 $\frac{1}{2}$	4	1 20	1 25	1 60	1 25	80	1 50	1 10	1 20	50			
60 and over 55 miles..	6 $\frac{1}{2}$	6 $\frac{1}{2}$	9	12	6	5 $\frac{1}{2}$	13	3 $\frac{1}{2}$	4	1 20	1 30	1 60	1 25	80	1 50	1 10	1 20	50			
65 and over 60 miles..	7	7	9 $\frac{1}{2}$	13	6 $\frac{1}{2}$	6	14	3 $\frac{1}{2}$	5	1 25	1 30	1 70	1 35	85	1 62	1 20	1 30	55			
70 and over 65 miles..	7	7	9 $\frac{1}{2}$	13	6 $\frac{1}{2}$	6	14	3 $\frac{1}{2}$	5	1 25	1 35	1 70	1 35	85	1 62	1 20	1 30	55			
75 and over 70 miles..	7 $\frac{1}{2}$	7 $\frac{1}{2}$	10	14	6 $\frac{1}{2}$	6 $\frac{1}{2}$	15	4	5	1 30	1 35	1 80	1 45	95	1 74	1 25	1 39	60			
80 and over 75 miles..	7 $\frac{1}{2}$	7 $\frac{1}{2}$	10	14	6 $\frac{1}{2}$	6 $\frac{1}{2}$	15	4	5	1 30	1 40	1 80	1 45	95	1 74	1 25	1 39	60			
85 and over 80 miles..	8	8	10 $\frac{1}{2}$	14 $\frac{1}{2}$	7	7	16	4	5	1 35	1 40	1 90	1 55	1 00	1 86	1 30	1 49	65			
90 and over 85 miles..	8	8	10 $\frac{1}{2}$	14 $\frac{1}{2}$	7	7	16	4	5	1 35	1 40	1 90	1 55	1 00	1 86	1 30	1 49	65			
95 and over 90 miles..	8 $\frac{1}{2}$	8 $\frac{1}{2}$	11	15	8	7 $\frac{1}{2}$	17	4	6	1 40	1 40	2 00	1 65	1 05	1 98	1 35	1 58	70			
100 and over 95 miles..	8 $\frac{1}{2}$	8 $\frac{1}{2}$	11	15	8	7 $\frac{1}{2}$	17	4	6	1 40	1 40	2 00	1 65	1 05	1 98	1 35	1 58	70			
110 and over 100 miles..	9	9	11 $\frac{1}{2}$	15 $\frac{1}{2}$	9	7 $\frac{1}{2}$	18	4 $\frac{1}{2}$	6	1 45	1 50	2 10	1 70	1 10	2 04	1 40	1 63	75			
120 and over 110 miles..	9 $\frac{1}{2}$	9 $\frac{1}{2}$	12	16	9	7 $\frac{1}{2}$	19	4 $\frac{1}{2}$	6	1 50	1 50	2 20	1 75	1 15	2 10	1 45	1 68	75			
130 and over 120 miles..	10	10	12 $\frac{1}{2}$	16 $\frac{1}{2}$	9	9	20	5	7	1 55	1 50	2 30	1 80	1 20	2 16	1 50	1 73	80			
140 and over 130 miles..	10 $\frac{1}{2}$	10 $\frac{1}{2}$	13	17	10 $\frac{1}{2}$	9	21	5	7	1 60	1 50	2 40	1 85	1 25	2 22	1 55	1 78	80			
150 and over 140 miles..	11	11	13 $\frac{1}{2}$	17 $\frac{1}{2}$	11	10	22	5	7	1 65	1 50	2 50	1 90	1 30	2 28	1 60	1 82	85			
160 and over 150 miles..	11 $\frac{1}{2}$	11 $\frac{1}{2}$	14	18	11	10	23	5 $\frac{1}{2}$	8	1 70	1 60	2 55	1 95	1 35	2 34	1 65	1 87	85			
170 and over 160 miles..	12	12	14 $\frac{1}{2}$	18 $\frac{1}{2}$	11 $\frac{1}{2}$	11	24	5 $\frac{1}{2}$	8	1 75	1 60	2 60	2 00	1 40	2 40	1 70	1 92	90			
180 and over 170 miles..	12 $\frac{1}{2}$	12 $\frac{1}{2}$	15	19	11 $\frac{1}{2}$	11	25	5 $\frac{1}{2}$	8	1 80	1 60	2 65	2 05	1 45	2 46	1 75	1 97	90			
190 and over 180 miles..	12 $\frac{1}{2}$	13	15	19	12	12	26	5 $\frac{1}{2}$	9	1 85	1 60	2 70	2 10	1 50	2 52	1 80	2 02	95			
200 and over 190 miles..	13	13 $\frac{1}{2}$	15	19	12	12	27	5 $\frac{1}{2}$	9	1 85	1 60	2 75	2 15	1 50	2 58	1 85	2 06	95			
210 and over 200 miles..	13	14	15	19	12 $\frac{1}{2}$	12	28	6	10	1 90	1 70	2 85	2 20	1 50	2 64	1 85	2 11	1 00			
220 and over 210 miles..	13 $\frac{1}{2}$	14 $\frac{1}{2}$	16	20	13 $\frac{1}{2}$	12	29	6	10	1 90	1 70	2 90	2 20	1 50	2 64	1 90	2 11	1 00			
230 and over 220 miles..	13 $\frac{1}{2}$	14 $\frac{1}{2}$	16	20	13 $\frac{1}{2}$	12	29	6	10	1 95	1 70	3 00	2 30	1 50	2 76	1 95	2 21	1 05			
240 and over 230 miles..	13 $\frac{1}{2}$	14 $\frac{1}{2}$	16	20	13 $\frac{1}{2}$	12	29	6 $\frac{1}{2}$	10	1 95	1 70	3 10	2 40	1 50	2 88	2 00	2 30	1 05			
250 and over 240 miles..	13 $\frac{1}{2}$	14 $\frac{1}{2}$	16	20	13	12	29	6 $\frac{1}{2}$	10	2 00	1 70	3 20	2 50	1 50	3 00	2 05	2 40	1 10			
260 and over 250 miles..	13 $\frac{1}{2}$	15	16	20	13	12	30	6 $\frac{1}{2}$	10	2 00	1 80	3 30	2 60	1 50	3 12	2 10	2 50	1 10			
270 and over 260 miles..	13 $\frac{1}{2}$	15	16	20	13 $\frac{1}{2}$	13	30	7	11	2 05	1 80	3 40	2 70	1 50	3 24	2 15	2 59	1 10			
280 and over 270 miles..	13 $\frac{1}{2}$	15	16	20	13 $\frac{1}{2}$	13	30	7	11	2 05	1 80	3 50	2 80	1 50	3 36	2 20	2 69	1 15			
290 and over 280 miles..	13 $\frac{1}{2}$	15	16	20	13 $\frac{1}{2}$	13	30	7	11	2 10	1 80	3 60	2 90	1 50	3 48	2 25	2 78	1 20			
300 and over 290 miles..	13 $\frac{1}{2}$	15	16	20	14	13	30	7 $\frac{1}{2}$	11	2 10	1 80	3 70	2 90	1 50	3 48	2 30	2 78	1 20			
310 and over 300 miles..	14	15 $\frac{1}{2}$	16	20	14	13	30	7 $\frac{1}{2}$	11	2 15	---	3 80	3 00	1 50	3 60	2 35	2 88	1 25			
320 and over 310 miles..	14	15 $\frac{1}{2}$	16	20	14	13	30	7 $\frac{1}{2}$	12	2 15	---	3 90	3 00	1 50	3 60	2 40	2 88	1 25			
330 and over 320 miles..	14	15 $\frac{1}{2}$	16	20	14	13	30	7 $\frac{1}{2}$	12	2 20	---	4 00	3 10	1 50	3 72	2 45	2 98	1 25			
340 and over 330 miles..	14	15 $\frac{1}{2}$	16	20	14 $\frac{1}{2}$	13	30	7 $\frac{1}{2}$	12	2 20	---	4 10	3 10	1 50	3 72	2 50	2 98	1 25			
350 and over 340 miles..	14	15 $\frac{1}{2}$	16	20	14 $\frac{1}{2}$	13	30	7 $\frac{1}{2}$	13	2 25	---	4 20	3 20	1 50	3 84	2 55	3 07	1 30			

¹These rates were authorized by the State Corporation Commission of Virginia.

TABLE 14
SPECIAL COMMODITY CLASSIFICATION

COMMODITY	CLASS	COMMODITY	CLASS
Ashes, coal.....	MN	Blocks, paving.....	II
Bone dust, C. L.....	OO	Brick, C. L.....	LL
Building material, brick and wooden.....	GG	Cement, C. L.....	FF
Cinders, C. L.....	HH	Gravel, C. L.....	RR
Iron and steel articles as per special list, C. L.....	CC	Pig iron, C. L.....	JJ
L. C. L.....	DD	Lime, agricultural, L. C. L...	QQ
Felt, C. L.....	EE	Lumber, oak, hemlock, spruce, C. L.....	AA
Wood, fire, C. L.....	KK	Logs, except oak, hemlock, and spruce.....	BB

A very large per cent of the earnings of the Norfolk and Western Railway is derived from its coal traffic. It is interesting to note the scale of rates which has been provided by the commission for this commodity over this railroad. These rates are reproduced in Table 15.

TABLE 15
NORFOLK AND WESTERN RAILWAY COMPANY—COMMODITY
RATES¹
COAL, CARLOADS

Minimum weights: On Anthracite, 30,000 pounds; on Bituminous, 40,000 pounds.

Per ton 2,000 pounds

DISTANCES	Rate	DISTANCES	Rate
10 miles and under.....	\$.55	180 and over 170 miles.....	\$1 85
15 and over 10 miles.....	.60	190 and over 180 miles.....	1 85
20 and over 15 miles.....	.75	200 and over 190 miles.....	1 90
30 and over 20 miles.....	.95	210 and over 200 miles.....	1 90
40 and over 30 miles.....	1 10	220 and over 210 miles.....	1 95
50 and over 40 miles.....	1 25	230 and over 220 miles.....	1 95
60 and over 50 miles.....	1 35	240 and over 230 miles.....	1 95
70 and over 60 miles.....	1 45	250 and over 240 miles.....	1 95
80 and over 70 miles.....	1 50	260 and over 250 miles.....	2 00
90 and over 80 miles.....	1 55	270 and over 260 miles.....	2 00
100 and over 90 miles.....	1 60	280 and over 270 miles.....	2 05
110 and over 100 miles.....	1 60	290 and over 280 miles.....	2 10
120 and over 110 miles.....	1 65	300 and over 290 miles.....	2 10
130 and over 120 miles.....	1 65	310 and over 300 miles.....	2 15
140 and over 130 miles.....	1 70	320 and over 310 miles.....	2 15
150 and over 140 miles.....	1 75	330 and over 320 miles.....	2 15
160 and over 150 miles.....	1 75	340 and over 330 miles.....	2 15
170 and over 160 miles.....	1 80	350 and over 340 miles.....	2 20

¹These rates were authorized by the State Corporation Commission of Virginia.

3. SOUTH CAROLINA

The Railroad Commission of South Carolina not only prescribes regulations and rules concerning transportation in general, demurrage, storage, milling in transit, and exceptions to the Southern Classification, but it also prescribes class and commodity rates applicable within the state of South Carolina. The commission prescribes a standard class tariff and commodity tariffs for a number of other commodities. These commodity tariffs are

TABLE 16

FREIGHT RATES APPLYING ON CLASSIFIED TRAFFIC IN SOUTH CAROLINA¹

MILES	CENTS PER 100 POUNDS												CENTS PER BBL.	CENTS PER 100 LBS.	
	Classes ²												F	J	K
	1	2	3	4	5	6	A	B	C	D	E	H			
5.....	12	11	9	7	6	6	6	6	5	4	6	8	10	6	5
20.....	24	22	19	16	13	12	10	12	8	7	13	14	15	10	8
40.....	36	32	28	26	19	18	13	16	10	9	19	24	19	19	9
100.....	55	48	39	34	26	23	17	21	15	13	26	34	30	28	12
200.....	67	57	49	44	36	27	21	24	21	16	34	42	42	37	14
300.....	77	67	59	54	46	32	22	27	24	19	39	47	48	42	16

¹All joint rates are 80 per cent of the local rates of the individual line.

²Governed by the Southern Classification.

TABLE 16—Continued

FREIGHT RATES APPLYING ON CLASSIFIED TRAFFIC IN SOUTH CAROLINA¹

MILES	CENTS PER TON, 2,000 LBS.		DOLLARS PER CARLOAD, 20,000 LBS.			CENTS PER 100 LBS.	
	Classes ²						
	L	M	N	O	P	R	U
5.....	40	80	10	6	6	5	6
20.....	60	115	13	11	9	8	8
40.....	80	140	17	13	11	10	12
100.....	120	205	27	19	12¾	14	15
200.....	170	265	33½	25½	14¾	18	18
300.....	220	320	38½	30	17¼	21	22

¹All joint rates are 80 per cent of the local rates of the individual line.

²Governed by the Southern Classification.

published as special tariffs and are applicable within the state except in cases where tariffs for individual roads take precedence. Table 16 shows the local mileage rates on classes prescribed by the commission.

Joint rates are 20 per cent of the sum of the local rates. These rates are maximum rates only and the carriers may make lower rates provided no discrimination is caused thereby.

Table 17 shows the rates on a certain number of commodities for certain distances. This table was compiled from the several commodity tariffs prescribed by the commission. The special commodity rates prescribed for individual carriers are sometimes lower and sometimes higher than these rates which have general application. On the lines of dense traffic, the rates are lower than on the lines where traffic is not so dense.

TABLE 17¹

REPRESENTATIVE RATES APPLICABLE UPON SPECIFIC COMMODITIES IN SOUTH CAROLINA²

Miles	Lumber Dollars per C. L. of 24,000 Lbs.	Fertilizers Cents per Ton of 2,000 Lbs. Min. C. L. 20,000 Lbs.	Cotton Cents per 100 Lbs.	Cord Wood Cents per Cord Min. C. L. 10 Cords	Cotton Piece Goods Cents per 100 Lbs.	Starch Cents per 100 Lbs. Min. C. L. 20,000 Lbs.
5.....	5	75	7	40	9	9
20.....	8	95	10	50	12	13
40.....	10	125	18	70	14	17
100.....	13 ¹ / ₂	185	26	105	20	20
200.....	16 ¹ / ₂	260	35	...	28	23
300.....	19 ¹ / ₂	275	43	...	30	25

¹The rates in this table are governed by the Southern Classification.

²All joint rates are 80 per cent of the local rates of the individual line.

4. ALABAMA

The state of Alabama does not prescribe class rates. It does, however, prescribe certain mileage rates on a number of commodities, which rates may not be exceeded by the carriers.

In Tables 18 and 19 are given representative class rates applying between points in Alabama. These rates are announced by the carriers.

TABLE 18

CLASS RATES FROM BIRMINGHAM, ALA., TO ALABAMA COMMON AND LOCAL POINTS

FROM BIRMINGHAM, ALA., TO THE FOLLOWING POINTS IN ALABAMA	RATES IN CENTS PER 100 POUNDS EXCEPT AS NOTED													
	Classes ¹													
	1	2	3	4	5	6	A	B	C	D	E	H	F ³	
Sylacauga.....	39	32	30	22	20	16	12	16	13	9	20	22	26	
Sylamore ²	47	41	36	31	27	22	18	24	14	11	24	27	28	
Talladega.....	52	45	40	32	25	20	20	21	12	11	27	30	24	
Calera.....	29	25	22	19	18	17	17	17	11	9	17	17	22	
Thorsby ²	37	32	28	25	24	22	22	22	12	10	22	22	24	
Montgomery.....	50	44	38	29	24	19	18	17	15	11	27	19	22	
Wellington.....	45	42	36	34	30	19	18	19	13	12	30	30	26	
Woodruff ²	62	53	47	39	36	30½	29	30	18	15	32½	30	36	
Anniston.....	46	40	38	32	25	20	20	21	12	11	27	30	24	
Selma.....	50	44	38	29	24	19	18	17	15	11	27	19	22	
Andalusia.....	72	62	54	49	44	38	31	35	20	16	40	40	40	
Pera ²	78	67	57	52	47	43	43	43	22	17	43	43	44	
Samson.....	80	69	58	53	48	44	38	42	22	17	44	44	44	
Huntsville.....	65	52	46	41	35	30	30	30	25	20	35	41	50	
Hollywood ²	55	45	40	35	30	25	25	25	20	18	30	35	40	
Ozark.....	91	80	71	56	46	39	33	34	24	20	46	48	41	
Troy.....	85	74	62	50	41	35	28	31	24	20	41	42	41	
Eufaula.....	64	55	50	39	31	24	20	24	15	14	30	34	30	
Opelika.....	57	49	45	35	28	22	16	22	14	13	27	31	23	
Franklin ² (Macon Co.).....	74	62	52	42	34	27	24	30	24.3	20	35	45	44	
Dothan.....	94	81	77	61	52	42	33	34	24	20	52½	51	41	
Tuscumbia.....	50	43	36	30	24	20	15	17	17	13	23	28	26	
Leighton ²	64	54	46	37	28	26	29	31	26	21	28	37	52	
Decatur.....	50	46	38	29	24	21	18	17	16	13	23	32	30	
Elko ²	55	45	40	35	30	25	25	25	20	18	30	35	40	
Whitehall ²	74.7	65.7	59.4	49	41	34	31	32	23.4	19.8	43	39	42	
Roba.....	87.3	74.7	65.7	52	43	37	32.4	34	26.1	22.5	44.1	46	52.2	
Hurtsboro.....	82	68	60	50	42	35	28	28	24	22	40	45	46	
Billingsley.....	70	60	54	47	42½	32	31	32	23	19	41½	40	44	
Tuscaloosa.....	47	40	33	26	24	19½	18	19	12	10	21½	25	24	
Chinney ²	56	48	43	38	33	28	26	28	16	13	31	31	34	
Georgiana.....	66	57	50	45	40	37	37	37	19	15	37	37	38	
Mobile.....	69	58	51	38	30	26	19	18	18	13	21	45	31	

¹Governed by the Southern Classification.

²Intermediate points.

³Per barrel.

5. MISSISSIPPI

The state of Mississippi does not prescribe rates for the carriers, but it modifies or approves tariffs promulgated by the carriers upon traffic moving within its borders. The state once prescribed classification of freight, but this has been supplanted by the Southern

TABLE 19

CLASS RATES FROM MOBILE, ALA., TO ALABAMA COMMON AND LOCAL POINTS

FROM MOBILE, ALA., TO THE FOLLOWING POINTS IN ALABAMA	RATES IN CENTS PER 100 POUNDS EXCEPT AS NOTED												
	Classes ¹												
	1	2	3	4	5	6	A	B	C	D	E	H	F ³
Ida ²	72	62	54	49	44	40	37	37	22	19	40	40	44
Thorsby ²	72	62	54	49	44	40	38	40	22	17	40	40	44
Montgomery.....	50	40	30	24	20	20	15	20	14	12	24	19	24
Akron.....	79	69	58	45	42	31	20	23	16	12	39	25	24
Brown ²	72	62	53	45	38	33	28	31	22	19	43	41	42
Selma.....	50	40	30	24	20	20	15	20	14	12	24	19	24
Eutaw ²	79	69	58	45	42	31	20	23	24	20	39	19	48
Stewart ²	62	50	38	32	28	28	20	25	19	17	29	24	34
Prattville.....	92	76	62	47	39	36	30	37	27	24	43	46	50
Roba ²	98	80	66	50	42	38	31	38	29	25	46	49	60
Hurtsboro.....	88	70	58	45	39	35	30	36	25	22	43	41	46
Thompson ²	90	73	60	46	40	36	31	37	25	22	44	43	52
Union Springs.....	88	74	62	54	44	39	34	38	27	24	43	43	50
Youngblood ²	88	69	58	48	41	37	30	33	24	21	45	45	48½
Troy.....	62	53	47	42	37	34	34	34	18	15	34	34	36
Red Level ²	66	57	50	45	40	37	37	37	19	15	37	37	38
Andalusia.....	72	62	54	49	44	37	37	37	20	16	40	40	40
Pera ²	104	86	70	57	47	41	35	41	31	25	51	45	58
Samson ²	32	27	24	21	20	19	19	19	11	9	19	19	22
Alred ²	78	66	54	44	37	33	28	35	24	21	42	39	44
Perdido ²	88	69	58	48	41	37	30	33	24	21	45	48	48½
Whitehall ²	98	84	69	59	49	44	39	41	30	26	48	48	56
Ozark.....	101	83	68	55	46	40	33	40	30	26	50	50	56
Brundidge ²	95	78	64	48	41	37	32	39	27	24	45	46	50
Jonesville ²	89	76	67	51	45	34	20	27	20	16	41	36	32
Three Notch Road ²	98	80	66	53	45	38	31	38	29	25	49	48	54
Eufaula.....	100	84	70	54	45	38	31	42	31	26	53	37	54
Guerryton ²	100	84	74	54	47	40	29	42	31	24	54	46	54
Seale ²	89	76	67	51	45	34	20	27	20	16	41	36	22
Motts ²	85	72	58	46	39	35	30	37	25	22	44	45	46
Opelika.....	88	69	58	48	41	37	30	33	24	21	45	48	48½
Franklin ²	112	94	76	66	55	48	43	43	32	27	52	54	60
Dothan.....	118	97	82	63	52	45	33	43	33	28	59	56	58
Newton ²	120	100	80	69	58	51	45	45	38	31	71	64	70
Barnes Cross Roads ²	72	62	54	49	44	40	40	40	21	17	40	40	42
Hartford ²	120	100	78	69	58	53	45	48	38	24	62	61	70
Florala.....	79	72	55	41	37	29	20	27	20	16	32	36	32
Hacoda ²	115	103	82	63	55	44	36	43	32	27	50	58	55
Huntsville.....	79	69	58	45	42	31	20	23	16	12	39	25	24
Hollywood ²	72	62	54	49	44	38	26	33	21	19	40	40	42
Birmingham.....	84	73	64	49	43	32	20	27	20	16	39	42	32
Moragne ²	79	69	58	45	42	31	20	23	22	18	39	27	36
Attalla.....	76	65	56	51	46	37	26	29	23	20	42	33	46
Tuscaloosa.....	79	69	58	45	42	31	20	23	16	12	39	19	54
Shiras ²	79	69	58	45	42	31	20	23	16	12	39	25	24
Fleming ²	100	86	76	55	52	42	33	39	27	22	52	53	46
York.....	100	86	76	55	52	45	33	37	25	20	52	47	42
Pell City.....	94	83	74	50	48	37	32	40	28	23	52	54	48
Eden ²													
McFall ²													

¹Governed by the Southern Classification.²Intermediate points.³Per barrel.

Classification and by exceptions applicable to the carriers within the state of Mississippi. The rates of the several

carriers are revised and approved by the Railroad Commission of Mississippi. Tables 20 and 21 show class rates which were promulgated by the Yazoo & Mississippi Valley Railroad and approved and adopted by the Railroad Commission of Mississippi. Different tariffs apply over the lines within the state, but the rates are usually quite similar. The rates along the Mississippi River are somewhat less than the interior rates.

TABLE 20

LOCAL CLASS RATES APPLICABLE BETWEEN STATIONS ON THE
YAZOO & MISSISSIPPI VALLEY RAILROAD IN MISSISSIPPI

MILES	RATES IN CENTS PER 100 POUNDS EXCEPT AS NOTED												
	Classes ¹												
	1	2	3	4	5	6	A	B	C	D	E	H	F ²
5 and less.....	20	17	14	12	10	9	7	8	11	6	9	..	18
10 and over.....	25	21	18	15	13	11	9	10	12½	6	11	..	20
15 " ".....	30	25	21	18	15	13	11	12	14	7½	13	..	22
20 " ".....	33	28	24	20	17	15	12	14	15	9	15	..	23
25 " ".....	36	31	26	22	19	17	13	15	16	10	17	..	24
30 " ".....	39	34	28	24	21	18	14	16	16	10	18	..	24
35 " ".....	42	36	30	26	22	19	15	17	17	11	20	..	26
40 " ".....	45	38	32	28	23	20	16	17	17	11	21	..	27
45 " ".....	48	40	34	29	24	21	16	18	18	11	22	..	28
50 " ".....	50	42	35	30	25	22	17	19	18	11	23	..	29
75 " ".....	56	47	40	35	28	25	19	21	21	14	26	..	34
100 " ".....	60	52	44	37	30	27	20	23	22½	16	28	..	36
130 " ".....	64	55	46	39	32	29	22	24	23½	17½	29	..	38
150 " ".....	66	57	47	40	33	30	22	25	24	17½	30	..	39
200 " ".....	70	60	49	42	35	31	23	26	25½	20	31	..	41
250 " ".....	72	61	51	43	36	32	24	27	27	21	32	..	44
300 " ".....	72	61	51	43	36	32	24	27	29	23	32	..	46

¹Governed by the Southern Classification.

²Per barrel.

6. LOUISIANA

The state of Louisiana, being divided by the Mississippi River, is rather peculiar in its control of freight rates. The part of the state lying west of the river is governed by the Western Classification, which classification is approved by the Railroad Commission of Louisiana. The Southern Classification and exceptions thereto govern the shipments moving wholly within the part of Louisiana lying east of the Mississippi River. The state

TABLE 21

JOINT CLASS RATES APPLICABLE BETWEEN STATIONS ON THE
YAZOO & MISSISSIPPI VALLEY RAILROAD AND ITS
CONNECTIONS IN MISSISSIPPI

MILES	RATES IN CENTS PER 100 POUNDS EXCEPT AS NOTED													
	Classes ¹													
	1	2	3	4	5	6	A	B	C	D	E	H	F ²	
5 and less.....	18	15	13	11	9	8	6	7	10	5	8	..	16	
10 and over.....	22½	19	16	13½	12	10	8	9	11	5	10	..	18	
15 " ".....	27	22½	19	16	13½	12	10	11	13	7	12	..	20	
20 " ".....	30	25	22	18	15	13½	11	13	13½	8	13½	..	21	
25 " ".....	32	28	23	20	17	15	12	13½	14	9	15	..	22	
35 " ".....	38	32	27	23	20	17	13½	15	15	10	18	..	22½	
40 " ".....	40½	34	29	25	21	18	14	15	15	10	19	..	23	
45 " ".....	43	36	31	26	22	19	14	16	16	10	20	..	25	
50 " ".....	44	37	31	26	22	20	14	16	16	10	20	..	25½	
75 " ".....	48	40	34	30	24	21	16	18	18	12	22	..	29	
100 " ".....	51	44	37	31	25½	23	17	20	19	14	24	..	31	
130 " ".....	53	46	38	32	26	24	18	20	19	14	24	..	31	
150 " ".....	53	46	38	32	26	24	18	20	19	14	24	..	31	
200 " ".....	56	48	39	34	28	25	18	21	20	16	25	..	33	
250 " ".....	58	49	41	34	29	26	19	22	22	17	26	..	35	
300 " ".....	58	49	41	34	29	26	19	22	23	18	26	..	37	

¹Governed by the Southern Classification.

²Per barrel.

does not prescribe any classification of its own, but approves the application of these two classifications to the two sections of the state. The commission is likewise vested with the control over the water carriers operating within the state and prescribes both class and commodity rates on freight shipped between points on the Mississippi River by boat. The commission, however, in its last report (1914), stated as follows:

Steamboat transportation on the waterways in the State of Louisiana continues its gradual decline and has become of such small importance that it may be said to be disappearing, except for relatively short distances on only a few of the navigable streams. The Commission has always been ready to grant every opportunity to the boats to increase their resources, but the traffic has not increased, and the indications do not point to any improvement in the immediate future.

In so far as rail traffic is concerned, the commission revises and approves all tariffs issued by the rail carriers naming rates for the transportation of freight within its

borders. Table 22 shows the class rates on freight moving between local stations on the New Orleans & North-eastern Railroad in Louisiana. Water carriers have their rates approved in the same manner.

TABLE 22

DISTANCE RATES APPLICABLE ON THE NEW ORLEANS & NORTH-EASTERN RAILROAD IN LOUISIANA

MILES	RATES IN CENTS PER 100 POUNDS EXCEPT AS NOTED													
	Classes ¹													
	1	2	3	4	5	6	A	B	C	D	E	H	F ²	
5.....	20	16	14	12	10	7	12	13	10	7	12	14	20	
20.....	36	30	24	18	15	12	15	16	14	10	20	24	28	
30.....	48	40	32	24	20	15	17	20	16	12	24	32	32	
40.....	60	50	40	30	25	19	20	22	17	14	26	35	34	
45.....	64	52	42	32	27	21	22	24	18	15	26	35	36	

¹Governed by the Southern Classification.

²Per barrel.

CHAPTER VIII

RATES ON INLAND WATERWAYS

1. CHARACTER OF SERVICE

Having now set forth the rail rates applicable within the several states comprising Southern Territory, it is well to consider, before passing on to the interstate adjustment, some of the rates applicable upon the more important waterways within this territory, as the active or potential competition of the water routes fixes in a great measure the maximum rates which the rail lines can exact.

Water rates, except in instances where the operating companies are under the jurisdiction of the Interstate Commerce Commission, are not stable. For this reason, due allowance should be made for any discrepancy in the rates given in this treatise which may be developed from actual experience at some subsequent time.

At the present time, in so far as the Interstate Commerce Commission is concerned, the water lines which are operated independently of any railroad ownership or control, or which do not publish through rates in conjunction with rail lines, are not amenable to the Act to Regulate Commerce and consequently do not file their tariffs; neither are they compelled to adhere to such rates as they may make between the points that they serve.

Where the traffic is heavy and where the difference between the rail rate and the water rate affords a

sufficient justification for the use of the water routes, the common carrier business by water frequently offers a remunerative return on an investment; the established lines are therefore often troubled with the competition of what they term "tramp boats" and "charter traffic." As a result, there are frequent rate wars terminating either in the failure and retiring of one of the contestants, or in mutual concessions on the part of the belligerents. These concessions usually result in an agreement as to what rates are to be maintained; frequently they bring about a division of the traffic, which is in effect the elimination of competition.

Many primitive means of transportation are still employed upon these waterways, which in a measure depress not only the rail rates, but those of the boat lines as well. Logs, for example, are still cut near the head waters of these streams and are branded and floated down the river to some concentrating point, where they are made up into rafts and floated down the river to some milling point. Again, small boats of the gasoline type and flat boats are operated in a limited field, their owners doing a trading business as well as a carrying business, which interferes with the operation of the established water lines.

2. OHIO RIVER

From the statistics dealing with the tonnage moving on the different rivers in this territory, it will be noted that by far the greatest per cent thereof is on the Ohio River, which is navigable its entire length from Pittsburgh, Pa., to its mouth, below Cairo, a distance of some 967 miles.

The greater part of the tonnage referred to consists, however, of coal which moves from the western Pennsylvania and West Virginia regions. This commodity

is very economically handled by being loaded into open barges which have a capacity equivalent to fifteen or twenty ordinary coal cars. As twenty or more of these barges are easily handled by the ordinary tow boat, which is operated at a slight expense per day, the advantage of this means of transportation is readily appreciated. In fact, bituminous coal may be purchased on the barge at Cincinnati at a cost not greatly in excess of one dollar per ton. The cost of unloading the coal varies with the means employed and the distance necessary to remove it from the barge. The lines engaged in this traffic, however, do not handle other traffic except in special cases, for they do not hold themselves out as common carriers, but are operated solely in the interests of marketing coal for their owners.

The principal water lines engaging in a common carrier business on the Ohio River are: The Green Line, operating to the landings on the Ohio River above Cincinnati; the Louisville and Cincinnati Packet Company, serving all way points between Cincinnati and Louisville; and the Lee Line Steamers, serving all river landings on the Ohio River below Louisville and on the Mississippi River between Memphis, Tenn., and St. Louis, Mo.

Representative rates via some of these routes are as follows:

Classes	1	2	3	4	5	6
Rates between Louisville, Ky., and Owensboro, Ky.	26	22	18	12	10	8
Rates between Louisville, Ky., and Evansville, Ind.	26	22	18	12	10	8
Rates between Louisville, Ky., and Cincinnati, Ohio.	25	22	17	12	9	8
Rates between Evansville, Ind., and Owensboro, Ky.	18	15	13	10	9	8

The above rates are governed by the Official Classification, while the following are governed by the Western.

Classes	1	2	3	4	5	A	B	C	D	E
Rates from Louisville, Ky., to Memphis, Tenn.	53	41	38	30	24	23	20	15	12	10

3. GREEN AND BARREN RIVERS

The Green River, together with the Barren River, forms a body of water navigable for a distance of 227 miles. There are, aside from Bowling Green, Ky., which has a population somewhat in excess of 9,000, few points of any traffic importance and, as may be inferred, there is not a great deal of traffic involved in this instance.

The Evansville & Bowling Green Packet Company affords a semi-weekly service between Evansville and Bowling Green and a weekly service between Evansville and Mammoth Cave, located on the head waters of the Green River.

The tariff of this company which names the rates between the termini and the intermediate points is published rather in the form of an exception sheet, inasmuch as certain specific articles are singled out and given individual rates, while articles not classified are taken at the ratings provided for general merchandise, which term includes all articles that are not specifically rated.

The freight rates between Evansville, Ind., and Bowling Green, Ky., include delivery to the consignee's warehouses, stores, etc., which are located within the recognized municipal limits of Bowling Green, of all commodities except furniture, corn, wheat, and woven wire fencing, on which the rates apply to the Bowling Green landing only. The general merchandise rate between Evansville, Ind., and Bowling Green, Ky., is 20 cents per 100 pounds. We find such commodities as apples rated at 25 cents per barrel; ale and beer, 20 cents per keg; large boilers, 25 cents per 100 pounds; bran and feed in sacks, 12½ cents per 100 pounds; common brick, \$5 per M; brooms, 10 cents per dozen; empty cases returned, 8½ cents each; corn, wheat, and rye, 7 cents per 100 pounds; organs and pianos, boxed, 50 cents per 100

pounds; empty trunks, 40 cents per 100 pounds; passenger vehicles, K. D., boxed and crated, 40 cents per 100 pounds; wooden and willow ware, 35 cents per 100 pounds; and wire fencing in rolls, 15 cents per 100 pounds.

In Table 23 are given some representative commodity and general merchandise rates applicable between Evansville, Ind., and Mammoth Cave, Ky.

TABLE 23
FREIGHT RATES APPLICABLE BETWEEN EVANSVILLE, IND., AND
MAMMOTH CAVE, KY.

COMMODITY	RATE IN CENTS
General merchandise.....	40 per cwt.
Agricultural implements, L. C. L.....	45 " "
Boots and shoes, in boxes.....	45 " "
Brooms, in boxes, bundles, or crates.....	17 per doz.
Cement, Portland, in bbls., 400 lbs. per bbl.....	45 per bbl.
Chairs, rocking, cane seat, without arms.....	85 per doz.
Coal.....	10 per bu.
Eggs, 30 doz. cases.....	30 per case
Axe handle timber.....	400 per cord
Bananas, in bunches, sacked, or crated.....	30 per bunch
Grapes, in baskets.....	8 per basket
Watermelons.....	8 each
Live stock, viz., cattle.....	150 per head
Calves, not exceeding 350 pounds.....	135 " "
Horses and mules.....	75 " "
Hogs.....	400 " "
Mattresses, in bales, 5 or 6 per bale.....	300 per bale
Show cases, in boxes or crates.....	40 per linear foot

From Table 23 it will be noted that these rates are prescribed in every conceivable manner and are not on a uniform basis of 100 pounds, as is the case with the rail rates.

4. MISSISSIPPI RIVER

In so far as traffic on the Mississippi River is concerned, the following facts gleaned from the opinion of the Interstate Commerce Commission with reference to the petitions of the carriers in Southern Territory to

violate the fourth section of the Act to Regulate Commerce are especially relevant.¹

The first steamboat (The New Orleans) that operated on the Mississippi River, left Pittsburgh, October 20, 1811, and reached New Orleans early in January, 1812. Not until May, 1815, had any steamboat succeeded in ascending the river as far as the falls of the Ohio at Louisville. By the end of the year 1819, however, 60 steamboats had been built to operate on the Ohio and Mississippi rivers. During the period 1820 to 1830 the most important points in the steamboat trade were Louisville, Ky., Nashville, Tenn., Vicksburg and Natchez, Miss., and New Orleans and Bayou La Fourche, La. * * * During the season ending August 31, 1860, the total commerce on the river reached the enormous value of \$289,565,000. The arrivals of boats at New Orleans that year were 4,002, of which 605 came from the upper Atlantic coast, 180 from the lower Atlantic coast, 12 from Peoria, Ill., 206 from Cincinnati, 172 from Louisville, 8 from Evansville, Ind., 108 from Greenville and Bends, Miss., 110 from Memphis, 526 from Pittsburgh, 4 from Paducah, 472 from St. Louis, 211 from Vicksburg, and the remainder from the various tributaries of the Mississippi River.

During the years from 1861 to 1865 the commerce of the Mississippi River was interrupted by the war. * * * In order to profitably employ the large number of steamboats in the Mississippi River at the close of the Civil War, the Atlantic & Mississippi Steamship Company was organized with a capital of \$2,240,000. It owned about 20 boats, some of which were the finest then afloat. This company failed after two or three years and was succeeded by the St. Louis & New Orleans Packet Company, which later was organized as the Merchants Southern Line Packet Company. The latter named company was succeeded by the Anchor line, which covered the entire territory from St. Louis to New Orleans and operated for a number of years. During the period 1874 to 1896 this company operated regularly from 12 to 14 steamers. The usual service afforded by it was 2 boats per week between St. Louis and New Orleans, and 3 boats per week between St. Louis and Vicksburg.

A statement of tonnage moving by water between St. Louis and New Orleans indicates, in so far as south-bound traffic to New Orleans is concerned, that from a maximum of 627,627 tons in 1880 the tonnage had dwindled to 3,175 tons in 1904.

¹30 I. C. C. Rep., 226.

While these statements show during the years subsequent to 1901 a constantly dwindling river traffic, they show that, for a period prior to that date, this traffic was large and important in amount, and evidently worth fighting for.

Below is shown a chronological statement of the rates on the first six classes from Louisville to New Orleans, 1879 to date:

DATE .	1	2	3	4	5	6
Nov. 24, 1879.....	105	75	65	45	35	30
Sept. 28, 1880.....	107	77	67	45	35	30
Nov. 5, 1883.....	100	77	65	45	35	30
Jan. 7, 1884.....	98	77	63	40	35	30
Feb. 1, 1884.....	75	65	55	40	35	30
Aug. 1, 1887.....	90	75	65	50	40	35

These rates, established August 1, 1887, have been continued in effect from that date and are the present rates.

The rates applicable via the water lines from St. Louis, East St. Louis, and Cape Girardeau to New Orleans and other points on the lower Mississippi River are shown as follows:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Rates to Memphis...	50	40	35	25	20	18	10	19	10	8	15	32	20
Rates to New Orleans	60	50	45	35	30	25	18	20	18	16	20	40	35

These classes are applicable in connection with the Mississippi Valley Transportation Company and are governed by the Southern Classification.

* * * It is evident from the tonnage statistics relative to the actual movement of freight from St. Louis to New Orleans that this tonnage by water did not materially decrease until about the year 1898, 11 years after the establishment of the present scale of rail rates. At the time this testimony relative to the rates in the Mississippi Valley was taken (June, 1912) there were no regular boat lines in operation from Ohio River points or St. Louis to New Orleans. Regular service of this character had not been furnished for some years. * * * There is reason for believing that the rates to New Orleans, when established by the rail lines in 1887 and since maintained, were necessitated by an active compelling water competition. Without doubt the changing demands of commerce, the increased facilities of the railroads, their better organization and

regularity of service have been influential in winning for them not only a share of the traffic but nearly all of the traffic. The water competition, once actual and compelling, is still, however, potential, and it is most earnestly contended by the petitioners herein that any substantial increase in the rates to New Orleans will have the effect of reestablishing the water competition, with consequent loss of traffic and revenue to the rail lines. * * *

A slight difference in the rates would hardly justify the patronage of a water line when a rail rate was available, for in practically all of the river cities levees of various widths, heights, and lengths have to be constructed to protect the city and to provide a solid foundation for the accommodation of wheel traffic. A varying oscillation³ in the river stage at various points on the river prohibits the construction of vertical wharves such as are employed at the seaboard and the Great Lakes, where vessels discharge their cargoes almost on the street level. The gradient⁴ of some of these levees is extreme and in some cases five or six blocks in length. Deliveries are usually effected to or by the steamers through a wharf boat, which is moored to the river bank and connected with the shore by gangways over which teams or trucks may pass to receive or deliver shipments. The position of the wharf boat is changed in accordance with the stage of the water. Under these circumstances, it is obvious that the expense and risk attending the drayage of freight to such receiving stations are greatly in excess of the expense and risk involved in effecting a delivery to a railroad warehouse, which is a comparatively level haul.

Several companies have recently been formed, one at New Orleans, another at St. Louis, and another at Chicago, to revive traffic upon the Mississippi River, and

³30 I. C. C. Rep., 229.

³Backward and forward movement.

⁴Slope or incline.

if the movement is supported to an extent sufficient to justify it, it may be that some more economical method may be devised for the gathering and distribution of the cargoes of the river packets.

The rates applicable from Memphis, Tenn., to some other points and landings on the Mississippi River, in connection with the Arkansas Packet Company, are as follows:

Classes.....	1	2	3	4	5	6
Rates from Memphis, Tenn., to Helena, Ark.....	30	25	20	16	14	11
Rates from Memphis, Tenn., to Friar's Point, Miss.....	30	27½	22½	17½	15	12

These rates are governed by the Southern Classification.

The rates set forth in Table 23-A, applying between New Orleans, La., and landings in Louisiana, are governed by the Western Classification.

5. TENNESSEE RIVER

This river is navigable for a distance of over six hundred miles, from Paducah, Ky., to Chattanooga, Tenn., and beyond. In addition to several lines operating locally upon this stream, through service is afforded from St. Louis, Mo., and Cairo, Ill., by the St. Louis & Tennessee River Packet Company.

Rates applicable from Paducah, Ky., to all landings upon this river to and including Perryville, Tenn., are as follows:

Classes.....	1	2	3	4	5	6
Rates.....	50	40	35	30	25	16

These rates are governed by the Southern Classification.

TABLE 23-A

BOAT RATES APPLYING ON CLASSES VIA THE MISSISSIPPI RIVER
ON THE STRETCH BETWEEN NEW ORLEANS AND THE
NORTHERN BOUNDARY OF LOUISIANA¹

BETWEEN NEW ORLEANS AND INTER-MEDIATE LANDINGS AND	RATES IN CENTS PER 100 POUNDS									
	L. C. L.					C. L.				
	Classes ²									
	1	2	3	4	5	A	B	C	D	E
The more important landings between New Orleans and Donaldsonville, La.	30	25	23	15	20	20	15	12	10	10
The less important landings between New Orleans and Donaldsonville, La.	30	26	23	20	15	15	12	12	10	8
Landings between Donaldsonville, Baton Rouge, Port Allen, and Bayou Sara, proper.	30	26	23	20	15	15	12	12	10	8
Poplar Grove, Lobdell, Devalls, Hills, and False River Railroad ³	45	40	35	30	25	25	18	16	14	12
Landings above Bayou Sara but not above the northern boundary of Louisiana, and including Natchez and Vicksburg, Miss.	50	45	35	30	25	25	20	18	16	15

¹Railroad Commission of Louisiana, Authorities Nos. 5148, 3178, 3180, and 3421. Where commodity rates are higher, they are applied. No freight bill made for less than 25 cents; no landing made for less than 50 cents. The Railroad Commission of Louisiana has authority over intrastate shipments only, but the boat lines apply the rates at landings on the Mississippi side as far as the northern boundary of Louisiana.

²Governed by the Western Classification.

³These landings are between Baton Rouge and Bayou Sara.

6. CUMBERLAND RIVER

From Evansville, Ind., and Paducah, Ky., to Nashville and Clarksville, Tenn., the rates of the Cumberland River Steamboat Company are not specified under the ordinary class headings, but specific rates are given for various commodities.

COMMODITY	RATE IN CENTS
Apples, per barrel.	22
Oil, molasses, or whiskey, in barrels, L. C. L. .	11
Bacon.	16½
Boots and shoes, boxed.	33

COMMODITY	RATE IN CENTS
Canned goods.....	22
Cement, in bags.....	11
Cement, in barrels.....	27½
Coffee.....	22
Dry goods.....	27½
Flour, per barrel.....	22
Groceries, packed, N. O. S.....	22
Household goods, prepaid.....	44
Molasses, syrup, and glucose, per barrel.....	110
Nails.....	13½
Vehicles, viz., buggies and carriages, K. D. . .	44

7. ALABAMA RIVER

As before stated, while the water carriers are exempted from the provisions of the Act to Regulate Commerce so far as interstate traffic is concerned, many of the states have included them among the other public utilities that are subject to the control or regulation of the state commissions. As will be explained in a subsequent chapter, many of these states prescribe maximum rates which must be observed by the carriers upon traffic moving within those states. In this instance, the rates of the boat lines on the Alabama and Tombigbee rivers between Mobile, Ala., on the one hand and Montgomery, Selma, and Demopolis, Ala., on the other, are fixed by the Alabama Railroad Commission upon the following scale:

Classes...	1	2	3	4	5	6	A	B	C	D	E	H	F
Rates...	30	20	20	18	12	10	9	8	10	7	6	18	19

These rates are governed by the Southern Classification.

8. COOSA RIVER

The following are representative commodity rates applied from Rome, Ga., to Round Mountain, Ala., by the Oostanaula and Coosa River Steamboat Company.

COMMODITY	RATE IN CENTS
Axes, packed, L. C. L.	15
Axle grease, L. C. L.	15
Bacon, in sacks or packed in bbls. or hhds. . .	15
Bagging, jute.	12 $\frac{1}{2}$
Barrels, half-barrels, and kegs, L. C. L.	30
Beans, dried, in barrels or sacks, L. C. L.	15
Blacking, packed in barrels or boxes.	15
Books.	30
Boots and shoes, boxed.	30
Brooms, L. C. L.	30
Buckets, wooden, L. C. L.	30
Candy and confectionery, packed.	30
Canned goods, L. C. L., packed.	15
Carpets, matting, and rugs.	30
Cheese, in boxes, casks, or cheese hoops.	15

9. CHATTAHOOCHEE RIVER

The Merchants & Planters Steamboat Company operates four steamers with two sailings per week between Columbus, Ga., and Apalachicola, Fla. These boats, in connection with the boats on the Gulf of Mexico, furnish an all-water route from Columbus to New Orleans, Mobile, and Pensacola. The number of arrivals of boats at Columbus is shown to have been 84 in the year 1863; 231 in 1885; 203 in 1890; 141 in 1895; and 201 in 1899. During the last forty-seven years the average yearly arrival of boats has been 129, but few tonnage statistics relative to the traffic handled by these boats are available. It is shown that in 1906 the boats handled 7,233 tons in and out of Columbus. During March, 1910, the boats delivered at Columbus 204,720 pounds of freight; during April, 249,235 pounds; and during May, 440,200 pounds. This tonnage came, for the most part, from New Orleans, Chicago, Cairo, St. Louis, and Pensacola, and consisted of foodstuffs and merchandise of almost every description. Only a small amount of freight comes by

boat to Columbus from the Eastern Cities, but there is a possible all-water route via the Mallory Line from Mobile and via steamboat lines from Mobile to Columbus.⁵

Eufaula, Ala., is another important point on this river, but at the present time there are no figures available as to what the charges are between the terminals of this route.

10. FLINT RIVER

Although up to the twentieth of June, 1911, the United States Government had expended \$278,500 in improving the navigation of the Flint River, the competition of the water carriers of this river must still be regarded as largely potential. Such service as there is, is afforded by small boats of light draft. Although Albany, Ga., is located on this stream and is a distributing point of no little importance, there is an absence of authentic figures relative to the tonnage moving on this river.

11. SAVANNAH RIVER

The two established lines navigating this river are known as the Merchants & Farmers Navigation Company and the Augusta & Savannah Steamboat Company. The most important point aside from Savannah located on this river is Augusta, which was founded in 1735. Long before the construction of railroads, Augusta was an important distributing point, merchandise reaching it by means of boats on the Savannah River and from Charleston by means of wagons and teams. Upon the completion in 1833 of the old South Carolina Railroad, which was financed largely by merchants of Charleston, Augusta was linked with Charleston. It is significant to note that the management of this railroad, soon after its

⁵30 I. C. C. Rep., 153.

construction, established lower rates from Charleston to Augusta than it did to intermediate points and thus brought about a violation of the long-and-short-haul clause which has continued from that day to this.

The Savannah River is navigable during the entire year. The boat service is regular and has continued for nearly one hundred years. The United States Government has spent large sums of money for the improvement of this river, \$350,000 being appropriated for that purpose during the year 1912. It has been developed that nearly all the sugar, cotton ties, bagging, cement, iron and steel articles, canned goods, and other heavy commodities move into Augusta by way of the river and that the rail lines participate very little in this traffic. The boat lines likewise handle the bulk of the outgoing products, consisting largely of cotton goods, to the Eastern Cities.⁶

12. ALTAMAHA RIVER

The Macon & Brunswick Navigation Company, which up to 1909 operated on the Altamaha and Ocmulgee rivers, discontinued its service. Subsequently, however, the service was resumed on a somewhat smaller scale than was formerly maintained. It is stated that the tonnage handled by the railroads in and out of Macon during the year 1910 was 2,000,000 tons, six per cent of which was handled to and from the coast. It is estimated that one-third of this traffic to and from the coast could have been advantageously transported by boat if navigation had permitted and the boats were in operation.

These illustrations will suffice to show the important part that these inland waterways play in the distribution of the commerce of the South.

⁶30 I. C. C. Rep., 153.

13. INSURANCE

Another feature that should not be lost sight of in connection with water transportation is the requirement for the insurance of property transported by river carriers. It is commonly known as marine insurance. This charge, being in addition to the freight rates in a great many instances, lessens the difference between the rail rates and the water rates. The following are the insurance rates on river cargo in effect in 1910. The rates given are those on \$100 in value of cargo carried by good steamboats and barges to and from New Orleans and the following points.⁷

INSURANCE RATES PER \$100 VALUE APPLYING ON CARGO
SHIPPED ON THE ILLINOIS AND
MISSISSIPPI RIVERS

BETWEEN	AND	RATE
St. Louis	Cairo	\$0.40
St. Louis	Memphis	.50
St. Louis	Vicksburg	.70
St. Louis	Natchez	.75
St. Louis	New Orleans	.80
Cairo	Memphis	.40
Cairo	Vicksburg	.50
Cairo	Natchez	.55
Cairo	New Orleans	.65
LaSalle, Ill.	New Orleans	1.10
St. Paul, Minn.	New Orleans	1.50

Special rates are charged on cotton seed as follows:

By model barges from any point to New Orleans the rate is..... .85

By scow barges from any point on the Mississippi to New Orleans..... 1.50

By scow barges from any point on the tributaries of the Mississippi River to New Orleans..... 2.00

Harbor risks on cargo in model barges holding underwriters' inspectors' certificate are taken at a rate of \$2.50 per \$100 in value. Hull risks on approved vessels are taken at from 6 to 16 per cent per annum on the value of the vessel. The Lee Line pays 13 per cent on its fleet. This is probably near an average insurance rate for approved wooden hulls on the Mississippi River.

⁷Shelton, W. A., *The Lakes-to-the-Gulf Deep Waterway*.

There is a large list of freight on which the insurance alone prevents the shipment by river. A large part of the common stock of dry goods, for example, is valued at \$50 or more per 100 pounds, and the insurance between St. Louis and New Orleans at this value is 40 cents. The finer lingeries and silks are valued at as much as \$1,000 per 100 pounds, on which the insurance rate is \$8 per 100 pounds. The rail rate on silks of this value is only \$2.70 from New York to St. Louis, and on the cheaper grades of silks the rate is only 90 cents.

In cases involving a water haul, it is always desirable to ascertain whether the rate covering the water or the joint rail-and-water haul includes this item, as in some cases the steamboat companies assume this risk themselves and insure the property under their open policy. Considering the hazards of navigation, such as stranding, sinking of the vessel by striking hidden snags or other obstruction or change in the river channels, the burning of the vessel, the risk of damage from water, etc., goods of value should never be shipped unless insured.

CHAPTER IX

INTERSTATE RATES VIA COASTWISE ROUTES

1. CHARACTER OF SERVICE

To enter into a detailed description of the many thousands of separate but interdependent bases of rate construction under which the whole of the southern rate fabric has been constructed, and under which changes in rates are constantly being made, would produce a volume of matter far beyond the scope of this treatise. All that may be undertaken, therefore, is to describe and exemplify more or less in outline the principal features of the relative adjustments that obtained between the points of origin on the one hand and the points of destination on the other. A discussion of these adjustments will prove sufficient to give a clear understanding of the old situation.

As the rates on interstate traffic are, to a great extent, compelled by the rates established from eastern markets and reflect the effect of the direct water competition between the North and the South Atlantic ports, it is necessary, before taking up any of the interior adjustments, to make some statement as to the service and rates afforded between the more important ports.

It should be understood that while many of these water lines are controlled by railroad interests, and publish joint rates to inland points, which are subject to revision by the Interstate Commerce Commission, their all-water

rates, or dock-to-dock rates, as they are styled, do not come within the jurisdiction of the Commission and are not filed with that body. Consequently, as a rule no shipments of great volume are handled on the basis of published rates. Where cargoes are offered in large quantities, the schedules are often disregarded.

In addition to the freight carried by the regular steamship companies, or established lines, much of the low-grade bulk traffic moving into and out of the South Atlantic Ports is handled by vessels belonging to lumber companies and by tramp steamers. These steamers move loaded into or out of the ports and return empty except for such traffic as may be picked up. Considerable tonnage is handled by sailing vessels. Cement, coal, lumber, and fertilizer materials move to the South Atlantic Ports in large quantities by these irregular steamships on lower rates than are afforded by the regular steamship lines. The sailing vessels represent the cheapest means of conveyance. Practically all of the space in the boat can be utilized for cargo, none of it being given over to motive power, as is the case with the self-propelled vessels. Likewise, such craft are operated at a slight expense and consequently "schooner competition," as it is styled, is recognized by all steamship companies in making their rates. Independent, or tramp, vessels usually offer for large shipments rates that are less than those made by established lines. Vessels of this class are not engaged in regular service between any two points, but go where there is a likelihood of obtaining cargoes. This phase of transportation, however, is fully dealt with in the treatise on "Ocean Traffic and Trade" and it is not necessary at this point to enter into a detailed discussion of the peculiarities of competition between line and tramp boats.

2. DISTANCES

Especially on traffic originating in Seaboard Territory, the all-water rates from the various North Atlantic Ports to Norfolk are a factor of great importance in establishing through rates to interior points in Southern Territory. Testimony introduced in connection with the petitions of the carriers for permission to violate the provisions of the fourth section of the Act to Regulate Commerce developed that the distance from New York City to Norfolk via the steamer lines is assumed by the carriers, for the purpose of divisional rates, to be equivalent to 160 miles of rail haul. On this basis the water-and-rail mileages to the principal South Atlantic Ports are compared with the all-rail mileages of several carriers.¹

New York to Charleston:	Miles
Via Southern Railway, all rail	846
Water and rail	746
Via Atlantic Coast Line, all rail	739
Water and rail	552
Via Seaboard Air Line, all rail	831
Water and rail	666
New York to Savannah:	
Via Southern Railway, all rail	870
Water and rail	770
Via Atlantic Coast Line, all rail	854
Water and rail	667
Via Seaboard Air Line, all rail	845
Water and rail	680
New York to Brunswick:	
Via Southern Railway, all rail	966
Water and rail	866
Via Atlantic Coast Line, all rail	1,008
Water and rail	821
Via Seaboard Air Line, all rail	932
Water and rail	767
New York to Jacksonville:	
Via Southern Railway, all rail	1,042
Water and rail	942
Via Atlantic Coast Line, all rail	1,026
Water and rail	839
Via Seaboard Air Line, all rail	982
Water and rail	817

¹30 I. C. C. Rep., 163.

3. PORT-TO-PORT RATES

(a) *Norfolk, Va.*

The all-water rates from the Eastern Cities to Norfolk, Va., are indicated in Table 24.

TABLE 24

CLASS RATES FROM THE EASTERN CITIES TO NORFOLK, VA.

TO NORFOLK, VA., FROM	RATES IN CENTS PER 100 POUNDS EXCEPT AS NOTED												
	Classes ¹												
	1	2	3	4	5	6	A	B	C	D	E	H	F ²
Boston.....	45	39	34	30	25	22 ³	..	..	..	..	..	..	..
New York.....	32	27	23	20	15	12	11	18	11	11	14	18	24
Philadelphia.....	40	25	22	18	14	11	11	18	11	11	14	18	22
Baltimore.....	26	22	18	16	13	10	10	16	10	10	13	16	20
New York ⁴	23	22	19	15	13	11	11	11	11	11	13	15	20
Philadelphia ⁴	23	22	19	15	13	11	11	11	11	11	13	15	20
Baltimore ^{4 5}	6	6	6	4	4	4	4	4	4	4	4	4	8
Boston ^{4 6}	5	5	5	5	5	5	5	5	5	5	5	5	10

¹Governed by the Southern Classification, except as noted.

²Per barrel.

³Governed by the Official Classification.

⁴Proportional rates applicable only on traffic destined beyond.

⁵Less than the New York scale.

⁶Higher than the New York scale.

The proportional rates are those used in constructing through rates to interior destinations in Southern Territory. These proportional rates vary sometimes according to the destination of the traffic and the length of the haul. This feature, however, will be discussed in the subsequent chapters of this work devoted to the construction of interstate rail-and-water rates.

(b) *Wilmington, N. C.*

Wilmington, N. C., as the principal port city of the state, has a semi-weekly service via the Clyde Line to and from New York. The class rates governed by the Southern Classification applicable from New York to Wilmington are as follows:

Classes.....	1	2	3	4	5	6
Rates.....	50	40	34	28	20	15

(c) Georgetown, S. C.

As Georgetown is a comparatively small port when contrasted with Charleston, which ranks among the foremost of American seaports, it is natural, in order to compete with the larger ports, that the rates be adjusted on a somewhat lower basis than is accorded its stronger rival. As a result, the Clyde Line, which has a semi-weekly service between New York and this port, applies practically the same rates as it does to Wilmington, N. C.

Classes.....	1	2	3	4	5	6
Rates.....	50	43	36	29	23	16

(d) Charleston, S. C.

This is the principal port of South Carolina and next to Savannah the most important of the South Atlantic seaports. The Clyde Line affords a service from New York, the Philadelphia & Gulf Steamship Company from Philadelphia, the Baltimore & Carolina Steamship Company from Baltimore, and the Charleston Steamship Company from Charleston and Georgetown, S. C.

Representative rates to Charleston currently in effect from New York are as follows:

Classes.....	1	2	3	4	5	6
Rates.....	50	47	37	29	24	19

These rates are governed by the Southern Classification.

(e) Savannah, Ga.

During²the year 1911 Savannah handled over 2,500,000 bales of cotton and, next to Galveston, Tex., is the largest cotton market in the world. During the same year, 404 irregular vessels, consisting of schooners, barks, and steamships, not including any vessels of the Ocean Steamship Company or of

²30 I. C. C. Rep., 170.

the Merchants & Miners Transportation Company, entered Savannah. Such of these vessels as moved to and from eastern ports handled fertilizer material, salt, cement, plaster, coal, iron and steel articles, brick, oil, gravel, and hay from north Atlantic ports to Savannah and lumber and crossties from Savannah to the North Atlantic ports. The approximate amount of traffic carried by these irregular vessels, exclusive of foreign traffic, from the north Atlantic ports to Savannah was 130,172 tons, and during the same period 50,000,000 board feet of lumber and crossties were shipped from Savannah by these vessels. These outside vessels brought into Savannah 10,938 tons of cement at a rate of approximately 97 cents a ton, as compared with the rate of the regular steamship companies of \$1.50. The approximate rates charged by these irregular vessels from North Atlantic ports to Savannah are:

	PER TON
Fertilizer.....	\$1.50
Salt.....	1.25
Iron and steel articles.....	1.70
Plaster.....	.97
Coal.....	1.10
Brick.....	1.09
Hay.....	.90

The Ocean Steamship Company of Savannah affords a through service from New York, and the Merchants & Miners Transportation Company from Baltimore and Philadelphia. The rates currently in effect via the Ocean Steamship Company are as follows:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Rates.....	57	47	37	29	24	19	18	18	18	18	27	27	31

These rates are governed by the Southern Classification.

(f) *Brunswick, Ga.*

As may be inferred, the local traffic of Brunswick would in itself hardly be worth while for the maintenance of a steamship line. However, this city marks the terminus of the Atlanta, Birmingham & Atlantic Railroad, which is in competition with the lines leading out of Sa-

vannah for business to and from the interior. Inasmuch as there is not a great deal of difference in the haul to inland points, it naturally follows that to compete successfully the same factors will have to be applied up to the ports in so far as the water carriage is concerned. This is illustrated by the fact that the rates currently in effect are the same as those to Savannah set forth in the preceding paragraph.

(g) *Jacksonville, Fla.*

Jacksonville is the principal city of Florida and is served by the following steamship companies: The Clyde Line from New York, four sailings per week; the Southern Steamship Company from Philadelphia, Charleston, Key West, and Tampa, one sailing per week; and the Merchants & Miners Transportation Company from Baltimore to Savannah and Jacksonville, three sailings per week.

The traffic involved in this instance is largely local to the state of Florida; little if any traffic is forwarded via this route destined to interior points in Southern Territory. The immense quantities of produce raised in this state and its popularity as a resort undoubtedly have much to do with the advantages it possesses in so far as water transportation is concerned.

Current rates in effect from New York City to Jacksonville are as follows:

Classes.....	1	2	3	4	5	6
Rates.....	67	57	47	33	26	20

(h) *Tampa, Fla.*

This city, located on the west coast of the peninsula of Florida, is afforded a weekly service from New York by

the Mallory Steamship Company. The rates currently in effect via this route are as follows:

Classes.....	1	2	3	4	5	6
Rates.....	95	80	65	55	45	40

These rates are governed by the Southern Classification.

(i) *Gulf Ports*

Considering the length of the water haul involved, the rates to the more important Gulf ports are on a relatively low basis as contrasted with the water rates to the more closely situated South Atlantic Ports, taking New York as a point of origin. This is illustrated by the rates currently in effect via the water line, which are set forth in Table 25.

TABLE 25
ALL-WATER CLASS RATES FROM NEW YORK, N. Y.,
TO GULF PORTS

FROM NEW YORK, N. Y., To	RATES IN CENTS PER 100 POUNDS					
	Classes ¹					
	1	2	3	4	5	6
Mobile, Ala.	75	65	54	44	38	33
New Orleans, La.	70	60	50	40	35	30
Pensacola, Fla.	70	60	50	40	35	30

¹Governed by the Official Classification.

Statistics were introduced in a recent federal investigation indicating that the southbound tonnage forwarded via the Morgan Line from Seaboard Territory to New Orleans, La., for the first eleven months of the year 1911, aggregated 246,000 tons, and that during the same period the deliveries of the Mobile & Ohio Railroad and the Louisville & Nashville Railroad were but 577 tons.

From the foregoing, it may be seen that while the traffic on the interior waterways has dwindled considerably in the past decade and may consequently be considered as potential, the competition on the high seas is aggressive and controlling. It would seem, considering the competition of the markets and the volume of traffic involved, that the rates from New York to New Orleans and Mobile must be considered as controlling factors in this adjustment. All points located adjacent to the seaboard have the advantage of location over such markets as St. Louis, Chicago, Cincinnati, and other points located on inland waterways by reason of the fact that the cost of operation on the high seas is considerably less than that for inland navigation. Owing to dock facilities, the vessels are greater in size and consequently larger cargoes may be carried.

4. RATES TO AND FROM INTERIOR POINTS IN TRUNK LINE AND NEW ENGLAND TERRITORIES

The effects of this water competition are far-reaching and are felt not only in the immediate vicinity of the port cities, but, for illustration, in the instance at hand the rates made by the water carriers between New York and New Orleans are felt throughout the entire eastern section of the United States.

By an ingenious system of rate-making known as the absorption plan, the application of the water rates are extended to practically all of Trunk Line and New England territories.

Prior to the issuance of the tariff regulations of the Interstate Commerce Commission, this plan of rate-making was expressed in the following manner, taking

the rates to Mobile, Ala., via the Mallory Steamship Company as an example:³

The Mallory Steamship Company will accept for its service from New York to Mobile, Alabama, rates yielded by deducting from the rates shown in schedule No. 1 of the following table, the rates shown in Schedule 2. To the net rates so established must be added the published tariff rate from point of origin to New York (and the cost of transfer when the rates do not include free lighterage at New York harbor) and further provided that the rates shown in Table 1 are in all cases to be the minimum through rates.

FROM	SCHEDULE I MINIMUM THROUGH CLASS RATES IN CENTS PER 100 POUNDS								SCHEDULE II MAXIMUM CLASS DEDUC- TIONS IN CENTS PER 100 POUNDS							
	1	2	3	4	5	6	R25	R26	1	2	3	4	5	6	R25	R26
Connecticut stations.....	75	65	54	44	38	33	55	44	16	15	14	12	12	10	14	12
Wilmington, Del.....	75	65	44	44	38	33	55	44	28	23	19	14	12	10	19½	15
Washington, D. C.....	75	65	54	44	38	33	55	44	26	20	16	13	12	10	17	13
Portland, Me.....	75	65	54	44	38	33	55	44	16	15	14	12	12	10	14	12
Baltimore, Md.....	76	65	54	44	38	33	55	44	(1)							
Massachusetts stations.....	75	65	54	44	38	33	55	44	16	15	14	12	12	10	14	12
New Jersey stations.....	75	65	54	44	38	33	55	44	15	12	10	9	8	8	10	9
New York stations.....	75	65	54	44	38	33	55	44	15	12	10	9	8	8	10	9
Eddystone, Pa.....	75	65	54	44	38	33	55	44	15	12	10	9	8	8	10	9
Chester, Pa.....	75	65	54	44	38	33	55	44	(1)							
Philadelphia, Pa.....	75	65	54	44	38	33	55	44	(1)							
Camden, N. J.....	75	65	54	44	38	33	55	44	16	15	14	12	12	10	14	12
Rhode Island stations.....	75	65	54	44	38	33	55	44	16	15	14	12	12	10	14	12
Virginia:																
Newport News.....	85	73	60	47	41	35	62	48	32	28	25	22	17	15	25	22
Norfolk.....																
Portsmouth.....	85	73	60	47	41	35	62	48	(1)							
Richmond.....																

¹Published tariff rates to Mallory Line Pier.

For the purpose of illustrating the application of this table, assume that it is desired to construct rates from Tuckahoe, N. Y., from which point the rates currently in effect to New York, including free lighterage, are:

Classes.....	1	2	3	4	5	6
Rates.....	17	15	13	10	8½	7

Through rates would be obtained by deducting the maximum absorption shown in Schedule II from the scale applying from New York stations given in Schedule

³Taken from a tariff publication of the Mallory Line.

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I, and then adding to these rates the rates applying to New York. For example:

Classes.....	1	2	3	4	5	6
Rates from New York City						
to Mobile, Ala.....	75	65	54	44	38	33
Differentials.....	15	12	10	9	8	8
Through rates from New						
York City to Mobile, Ala.	60	53	44	35	30	25
Rates from Tuckahoe, N.Y.,						
to New York City.....	17	15	13	10	8½	7
Through rates from Tucka-						
hoe, N.Y., to Mobile, Ala.	77	68	57	45	38½	32

With the exception of the sixth-class rate, the above rates would be applied on traffic originating at Tuckahoe, N. Y., and forwarded via the New York Central Lines by way of New York and the Mallory Line. In the case of the sixth-class rate, as it is less than the minimum rates named in Schedule I, the rate is increased to 33 cents in order to comply with this requirement.

As this method of constructing rate schedules was not permitted by the Interstate Commerce Commission under its requirements, it became necessary for the water carriers to adopt some other means of publishing rates, with the result that today specific through rates are published from individual points and groups of points. In Table 26 is given a list of representative points within Seaboard Territory, showing the group to which each is assigned, while in Tables 27 and 28 are given the through class and commodity rates from these groups to New Orleans, La.

Attention is directed to the fact that where the transportation to New York is by water or partly by water a lower scale of rates is provided in many instances than when the movement to the port is via a rail carrier.

TABLE 26

GROUPING OF EASTERN POINTS OF ORIGIN FOR RATES TO
NEW ORLEANS, LA., VIA GULF ROUTES

STATION	GROUP	STATION	GROUP
Allentown, Pa.	11-A	Islip, N. Y.	6-A
Amsterdam, N. Y.	13	Jamestown, N. Y.	17-A
Arlington, Mass.	3	Kingston, R. I.	15
Ashburnham, ¹ Mass.	12	Kingston, ⁴ R. I.	6
Augusta, ² Me.	22	Little Ferry, N. J.	4
Baltimore, Md.	9	Newark, N. J.	1
Barclay, Md.	19-A	New Haven, Conn.	10-A
Bayside, N. J.	13-A	Niagara Falls, N. Y.	17-A
Beach Haven, N. J.	13-A	Ogdensburg, N. Y.	21
Boston, Mass.	2	Oil City, Pa.	18
Bruceton, Pa.	17	Orange, N. J.	5
Brunswick, Me.	20	Orleans, Mass.	15
Buffalo, N. Y.	17-A	Orleans, ⁴ Mass.	10
Camden, N. J.	8	Paterson, N. J.	5
Chester, Pa.	12-A	Philadelphia, Pa.	1-A
Chester Springs, Pa.	12-C	Pittsburgh, Pa.	18
Concord, N. H.	20	Portland, Me.	20
Costigans, ² Me.	25	Portland, ³⁵ Me.	6-B
Croydon, Pa.	8-A	Poughkeepsie, N. Y.	7
Cumberland, Md.	14-B	Reading, Pa.	14-A
Cumberland Jct., Me.	20	Rochester, N. Y.	14
Cumberland Jct., ³ Me.	15-A	Readfield, ² Me.	24
Dover, N. J.	8	Rutland, Vt.	15
Eastport, N. Y.	12-B	Schenectady, N. Y.	11
Eleanora, Pa.	19	Sheepshead Bay, N. Y.	1-B
Elizabeth, N. J.	5	Skowhegan, ² Me.	25
Fairchance, Pa.	19	Springfield, Mass.	10-A
Floral Park, N. Y.	2-A	Syracuse, N. Y.	14
Grafton, W. Va.	18	Troy, N. Y.	11
Hagerstown, Md.	14-B	Troy, Pa.	14-A
Hallmans, Pa.	12-C	Utica, N. Y.	14
Harrisburg, Pa.	14-A	Watertown, N. Y.	21
Hartford, Conn.	10-A	West Point, N. Y.	7
Havre de Grace, Md.	14-B	Williamsport, Pa.	14-A
Huntington, N. Y.	6-A	Yarmouth, Me.	20

¹Rates apply in connection with the New England Navigation Company and the Metropolitan Steamship Company.²Rates apply in connection with the Maine Steamship Company and the Metropolitan Steamship Company.³Rates apply in connection with the Metropolitan Steamship Company.⁴Rates apply in connection with the New England Navigation Company.⁵Rates apply in connection with the Metropolitan Steamship Company and the Boston and Maine Railroad.

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TABLE 27

CLASS RATES FROM POINTS IN ATLANTIC SEABOARD TERRITORY

FROM GROUP NO.	RATES IN CENTS PER 100 POUNDS								
	CLASSES ¹						R25	R26	R28
	1	2	3	4	5	6			
1.....	70	60	50	40	35	30	51	40	43½
1A.....	70	60	50	40	35	30	51	40	43½
1B.....	70	60	51	41	35	30	51	41	44½
2.....	72	61	51	41	35	31	52	41	44½
2A.....	72	63	53	43	36	30	53½	43	46½
3.....	73	64	55	44	39	33	55	44	48
4.....	75	65	55	45	39	32	55	45	48½
5.....	75	68	57	44	37½	31½	58	46	48½
6.....	77	68	59	49	44	37	59	49	52½
6A.....	79	69	58	47	39	32	59	47	51
6B.....	78	68	58	47	41	35	59	47	51
7.....	80	69	58	47	39	32	59	47	51
8.....	81	70	59	47	37½	31½	59½	47	51
8A.....	81	70	59	47	37½	31½	59½	47	51
9.....	80	70	58	48	38	32	59½	48	51½
10.....	82	73	63	62	44	40	63	52	56
10A.....	82	73	63	52	44	40	63	52	56
11.....	85	73	61	48	39	32	62	49	52½
11A.....	86	74	62	48½	38½	32	63	50	53
12.....	86	76	66	53	44	40	66	53	57½
12A.....	87	75	63	49	39	32½	64	50	54
12B.....	87	76	63	52	43	35	65	52	56
12C.....	88	76	64	50½	40½	33	65	51	55
13.....	90	76	64	50	41	34	65	51	55
13A.....	91	78	66	53	41	35	66	53	57½
14.....	92	76	64	50	41	35	65	51	55
14A.....	92	76	64	50	41	35	65	51	55
14B.....	92	76	64	50	41	37	65	51	55
15.....	94	82	66	53	44	40	70	53	57½
15A.....	94	82	66	53	44	40	70	53	57½
16.....	94	82	69	53	42	35	70	55	58½
17.....	98	85	72	54	43	35	72	58	60½
17A.....	98	81	68	53	43	39	69	54	58
18.....	98	81	68	53	43	39	69	54	58
19.....	98	81	68	53	43	39	69	54	58
19A.....	100	84	67	53	44	38	71	54	58
20.....	100	84	67	53	44	40	71	54	58
21.....	100	84	67	53	44	40	71	54	58
22.....	104	90	73	61	50	42	76½	61	65
23.....	104	92	79	65	52	44	79	65	70
24.....	113	96	78	63	52	43	82	63	68
25.....	119	106	83	65	54	45	90	66	71½

¹Governed by the Official Classification.

5. RATES FROM POINTS IN CENTRAL FREIGHT ASSOCIATION TERRITORY TO SOUTH ATLANTIC COAST POINTS VIA NORTH ATLANTIC COAST PORTS AND OCEAN

The bases employed result in through published rates which are made by using full rates to the North Atlantic Ports and adding thereto the proportional rates of the ocean carriers.

TABLE 28

COMMODITY RATES¹ APPLICABLE ONLY FROM POINTS SPECIFIED

COMMODITIES	FROM	RATE		FROM	RATE	
		L.C.L.	C.L.		L.C.L.	C.L.
Alcohol, in barrels.....	Baltimore..... Md.	54	43	Buffalo..... N. Y.	43	43
Ale, in standard packages	Baltimore..... Md.	..	37	Ogdensburg, N. Y..	..	42
	Buffalo..... N. Y.	..	38	Philadelphia.... Pa.	..	32½
	Hudson..... N. Y.	..	32	Syracuse..... N. Y.	..	37
	Newark..... N. J.	..	30			
Ammunition: Cartridges (Paper or Metallic Shells, Loaded), for small arms only, boxed, minimum carload weight 30,000 pounds.....	Bridgeport... Conn.	..	42	New Haven.. Conn.	..	42
Bagging (for Baling Cot- ton), in bales, mini- mum weight 30,000 pounds.....	Ludlow..... Mass.	..	27			
Bagging, in rolls, mini- mum carload weight 24,000 pounds.....	Ludlow..... Mass.	..	27			
Bags and Bagging (Old), in bales, minimum car- load weight 30,000 lbs.	Baltimore..... Md.	..	28	Norfolk..... Va.	..	38
	Boston..... Mass.	..	29	Philadelphia.... Pa.	..	28
	Camden..... N. J.	..	28			
Baking Powder, in tin, packed in boxes, mini- mum carload weight 30,000 pounds.....	Baltimore..... Md.	..	40	Manchester.... Va.	..	43
	Fredericksburg .Va.	56	43	Richmond..... Va.	56	43
Baskets (Splint), nested.	Northeast..... Md.	116½	..			
Beans (Dried), minimum carload weight 40,000 pounds.....	Akron..... N. Y.	..	35	Lockport..... N. Y.	..	35
	Albion..... N. Y.	..	35	Marion..... N. Y.	..	35
	Alexander..... N. Y.	..	35	(Note AA)		
	Alton..... N. Y.	..	36	Medina..... N. Y.	..	35
	Attica..... N. Y.	..	35	Middlesex..... N. Y.	..	35
	Avon..... N. Y.	..	35	Naples..... N. Y.	..	35
	Baltimore..... Md.	..	35	Newark..... N. Y.	..	35
	Barker..... N. Y.	..	36	North Rose... N. Y.	..	36
	Brockport..... N. Y.	..	35	Nunda..... N. Y.	..	35
	Caledonia..... N. Y.	..	35	Oakfield..... N. Y.	..	35
	Canandaigua. N. Y.	..	35	Palmyra..... N. Y.	..	35
	Caywood..... N. Y.	..	35	Penn Yan..... N. Y.	..	35
	Craigs..... N. Y.	..	35	Perry..... N. Y.	..	35
	Dansville..... N. Y.	..	35	Prattsburg... N. Y.	..	35
	Geneseo..... N. Y.	..	35	Rochester... N. Y.	..	35
	Groveland..... N. Y.	..	35	Rushville... N. Y.	..	35
	Holcomb..... N. Y.	..	35	Scottsville... N. Y.	..	35
	Honeoye Falls. N. Y.	..	35	Shortsville... N. Y.	..	35
	Kendaia..... N. Y.	..	35	Trumansburg. N. Y.	..	35
	Leicester..... N. Y.	..	35	Walker..... N. Y.	..	33
	Le Roy..... N. Y.	..	35	Waterport... N. Y.	..	36
				Williamson... N. Y.	..	35

¹Rates in cents per 100 pounds except as noted.

In Table 29 are set forth the rates via New York and the ocean to Wilmington, N. C., Georgetown and Charleston, S. C., Savannah and Brunswick, Ga., and Jacksonville, Fla.

TABLE 29

CLASS RATES FROM CENTRAL FREIGHT ASSOCIATION POINTS
TO SOUTH ATLANTIC PORTS

To SOUTH ATLANTIC PORTS FROM	RATES IN CENTS PER 100 POUNDS					
	Classes ¹					
	1	2	3	4	5	6
Benton Harbor, Mich.....	109	94½	75	55½	44	36
Cairo, Ill.....	127	110	87	64	51	42
Chicago, Ill.....	112	97	77	57	45	37
Cincinnati, Ohio.....	102	88½	70½	53½	41	33½
Cleveland, Ohio.....	85	72	53½	40	30	25
Detroit, Mich.....	95	82½	66	49½	38½	31½
Elkhart, Ind.....	109	94½	75	55½	44	36
Fort Wayne, Ind.....	104½	90½	72	53½	42	34½
Grand Rapids, Mich.....	109	94½	75	55½	44	36
Indianapolis, Ind.....	106½	92½	73½	54½	43	35
Jackson, Mich.....	106	92	73	54	42½	35
Lansing, Mich.....	108	93½	74½	55	43½	35½
Louisville, Ky.....	112	99	77	55	45	37
Peoria, Ill.....	119½	103½	82	60½	48	39½
St. Louis, Mo.....	124½	108	85½	63	50	41
South Bend, Ind.....	109	94½	75	55½	44	36
Toledo, Ohio.....	95½	82½	66	49½	38½	31½

¹Governed by the Official Classification.

The class rates shown in Table 29 applying from Cincinnati, Louisville, St. Louis, and other points via New York and the ocean to the South Atlantic Ports are governed by the Official Classification. Some of these rates are higher, though most of them are lower, than the rates of the all-rail lines on the corresponding classes, which are governed by the Southern Classification. The trunk lines serving the Ohio River through Baltimore in connection with the Merchants & Miners Transportation Company provide for through rates to South Atlantic

Ports, subject to the Southern Classification, on the basis of the following differentials under the rates published by the all-rail lines:

Classes.....	1	2	3	4	5	6	A	B	E	H
Rates.....	8	6	5	4	3	2	2	2	3	4

If the rates made on this basis, governed by the Southern Classification, are lower than the published rates, governed by the Official Classification, the lower rates are applied.

(a) *From New Orleans, La.*

The rates currently in effect via the all-water routes to the South Atlantic Ports are not obtainable at this time. In Table 30, however, are given the all-rail rates applicable from New Orleans, La., to the South Atlantic Ports. As these rates are claimed to be fixed by the water competition, the rates set forth in this table give some idea as to their measure.

TABLE 30

ALL-RAIL CLASS RATES FROM NEW ORLEANS, LA., TO
SOUTH ATLANTIC PORTS

FROM NEW ORLEANS, LA., TO	RATES IN CENTS PER 100 POUNDS					
			Classes ¹			
	1	2	3	4	5	6
Charleston, S. C.....	91	76	71	66	54	42
Savannah, Ga.....	91	76	71	66	54	42
Brunswick, Ga.....	91	76	71	66	54	42
Jacksonville, Fla.....	72	60	57	53	44	35
Tampa, Fla.....	122	103	91	85	72	62

¹Governed by the Official Classification.

These rates are necessitated by the direct water competition on the Atlantic Ocean and the Gulf of Mexico. The Philadelphia & Gulf Steamship Company furnishes

a regular service twice a month between Charleston, S. C., and New Orleans, La. The Paye Steamship Company furnishes the regular all-water service between Tampa, Fla., and New Orleans, La. There is no regular all-water service between New Orleans and Savannah, Brunswick, or Jacksonville. Such other water service as exists is that furnished by irregular steamers and sailing vessels.

For many years the rail carriers have not enjoyed the traffic of sugar, coffee, molasses, and rice from New Orleans territory to Charleston. This traffic moves via all water, and the rail carriers have been unable to secure it from the water carriers. Facilities are at hand at Charleston for unloading cargoes into the warehouses of the Charleston Terminal Company, which extend along the water front; this material is then distributed to the interior points as necessity may demand. A very large movement of the coastwise vessels into and out of the ports of Savannah, Brunswick, Jacksonville, and Tampa is indicative of the heavy coastwise movement between these points and other Atlantic and Gulf ports.

TEST QUESTIONS

These questions are for the student to use in testing his knowledge of the assignment. The answers should be written out, but are not to be sent to the University.

1. In some instances, how may the rates to Atlanta, Ga., be figured?
2. What is the chief factor in measuring intrastate rates?
3. What commissions in Southern Territory have been particularly active in prescribing charges applicable within their states?
4. Assuming that a change is made in the rates from Atlanta, Ga., to Brunswick, Ga., what is the result as far as Atlanta, Ga., and Charleston, S. C., are concerned?
5. How is the term "continuous mileage" defined?
6. Into what classes are the railroads of the state of Georgia assigned by the commission of that state?
7. To what extent may the rates of Class-D roads exceed the rates of Class-A roads on Classes 1, 2, 3, 4, 5, and 6, under the rules of the Georgia Railroad Commission?
8. What is the rule of the Georgia Railroad Commission respecting joint rates?
9. How should the joint rates between carriers within the state of Georgia be divided?
10. How are the additional classes other than those provided for in the Southern Classification accounted for in the Georgia scale?
11. What would be the difference in charges on two carloads of drain tile shipped a distance of 100 miles over a single line, one of them being shipped at the owner's risk and the other at the carrier's risk, the weight of both cars being 30,000 pounds?
12. (a) What distance is fixed by the Georgia Railroad Commission from Brunswick, Ga., to Birmingham, Ala., via the Atlanta, Birmingham & Atlantic Railroad? (b) From Atlanta, Ga., to Brunswick, Ga., via the Southern Railway?

13. How are joint lines defined by the Georgia Railroad Commission?

14. In constructing rates, what distance would be employed if the actual distance was $47\frac{1}{2}$ miles?

15. What would be the class rates applicable upon a tap line $9\frac{1}{2}$ miles in length?

16. How does the Railroad Commission of Tennessee prescribe rates applicable upon intrastate traffic?

17. (a) What compels the low rates from Memphis, Tenn., to Nashville, Tenn.? (b) From Chattanooga, Tenn., to Nashville, Tenn.?

18. To what causes may be ascribed the comparatively low rates from the Eastern Cities to Jacksonville, Fla.?

19. As a general rule, how are rates to interior points in Florida constructed?

20. Enumerate the rates on Classes 1, 2, 3, 4, 5, and 6 applicable from Jacksonville, Fla., to Miami, Fla.

21. In what respect does the joint-rate rule of the Florida Railroad Commission differ from that of the Georgia Railroad Commission?

22. When did the present class rates prescribed by the North Carolina Railroad Commission become effective?

23. How would the rates for a joint haul over two independent lines for a distance of 50 miles be constructed under the rules of the North Carolina Railroad Commission?

24. In what respect does the minimum-charge rule of the North Carolina Railroad Commission differ from that of the Southern Classification?

25. What conditions cause a departure from the Southern Classification in so far as traffic in West Virginia is concerned?

26. In cases where the Southern Classification governs rates in West Virginia, are the rates subject to revision by the commission of that state?

27. On what basis are rates between Ashland and Maysville, Ky., and Cincinnati, Ohio, via the Chesapeake & Ohio Railway, constructed?

28. What causes comparatively low rates via rail lines between Cincinnati, Ohio, and Louisville, Ky., both in Official Classification and Southern territories?

29. To what fact did the Virginia Corporation Commission give particular weight in prescribing rates for the carriers operating within that state?

30. A shipment of hemlock lumber moving in carloads via the Norfolk and Western Railway for a distance of 161 miles would be charged for on what basis?

31. Outline in general the basis employed in making intrastate rates within South Carolina.

32. What adjustment is prescribed by the Alabama Railroad Commission?

33. Does the state of Mississippi prescribe an individual classification?

34. (a) What separate classifications are authorized within the state of Louisiana? (b) In what territory is each applicable?

35. What is the substance of the Louisiana Railroad Commission's report relative to water transportation within that state?

36. To what extent are independent water carriers under the jurisdiction of the Interstate Commerce Commission?

37. Where is the most aggressive water competition experienced?

38. What is the usual outcome of a rate war between independent water carriers?

39. What means of transportation are still employed upon the inland waterways?

40. What constitutes the great majority of tonnage on the Ohio River?

41. Can the railroads meet the competition of the water carriers in so far as coal is concerned?

42. Enumerate the more important water lines operating upon the Ohio River.

43. Give a brief summary of conditions of water transportation upon the Green and Barren rivers.

44. When was steam navigation first attempted upon the Mississippi River?

45. On what basis are the rates on show cases announced from Evansville, Ind., to Mammoth Cave, Ky., via the water lines?

46. On what adjustment of differentials are the rates established by the Mississippi Valley Transportation Company to New Orleans related to the all-rail rates?

47. To what causes may be ascribed the remarkable falling off of traffic handled on the Mississippi River?

48. What are the rates on the first six classes from Paducah, Ky., to Perryville, Tenn., via the Tennessee River?

49. How are the rates published via the lines operating upon the Cumberland River?

50. By whom are the rates applicable via the water carriers from Mobile, Ala., to Montgomery, Ala., prescribed?

51. Give a brief summary of the conditions prevailing upon the Chattahoochee River.

52. Via what class of water carriers is transportation afforded on the Flint River?

53. For how long has transportation by water upon the Savannah Railroad been in existence?

54. What line affords water service upon the Altamaha River?

55. How may insurance affect the patronage of water routes?

56. What is the rate of insurance from St. Louis, Mo., to Memphis, Tenn.?

57. What are "dock to dock" rates? Are they subject to the requirements of the Interstate Commerce Commission?

58. Why do sailing vessels represent the cheapest means of conveyance upon the high seas?

59. To what class of traffic do sailing vessels and tramp boats cater?

60. How does the constructive mileage via the water-and-rail lines from New York City to Jacksonville, Fla., compare with the continuous mileage of the all-rail lines?

61. What water service is accorded the city of Wilmington?

62. Are the water rates to Charleston, S. C., on the same level as those to Georgetown, S. C.?

63. Give a brief summary of the conditions existing at Savannah, Ga., during 1911 with respect to water-borne traffic.

64. What is the occasion of the establishment of water routes to and from Brunswick, Ga.?

65. How do the water rates from New York City to Jacksonville, Fla., compare with the rates to Tampa, Fla.?

66. Via what routes is the bulk of traffic from Seaboard Territory to the Gulf ports, New Orleans and Mobile, forwarded?

67. Give an illustration of the making of rates under the absorption plan.

68. What are the class rates applicable from Reading, Pa., to New Orleans, La., in connection with the Morgan Line?

69. How much higher is the rate from Chicago, Ill., to Jacksonville, Fla., via New York, than the rate to New York, proper?

70. What adjustment is authorized for the use of a trunk line serving the Ohio River through Baltimore in making rates to the South Atlantic Ports?

71. What compels the comparatively low rates from New Orleans, La., to the South Atlantic Ports?

CHAPTER X

SOUTHEASTERN TERRITORY¹

1. DEVELOPMENT OF RATE STRUCTURE

The so-called Southeastern Territory embraces by far the greatest area of any rate-making territory in the southern states. In the early days, when the rate structure of this territory was being forged into a settled shape, Atlanta, Ga., marked the outpost at which the separate railroads and joint routes from the East met those from the West. In this way, Atlanta became the pivotal point of rate construction for rates from points outside of this territory to destinations therein.

In other words, Atlanta was on the edge of that zone where a single railroad and its partners were in full control of the traffic situation. The early development, of course, brought about a more or less settled condition with respect to the relationship in rates between cities in a given section and other cities in that section.

This adjustment, which was effected long ago, was brought about because of the competition of the various markets for the trade of Atlanta and the competition of the carriers for the traffic. As a result, the rates

¹See Map 5, Atlas of Traffic Maps.

from Louisville, Ky., are made the same as the water-and-rail rates from Baltimore, Md., on the first six classes. The lettered classes have not been equalized, for the reason that the competition between the eastern and the western markets for the trade at Atlanta is in articles which move under the numbered classes. Few of the commodities moving under the lettered classes are produced in large quantities in the East.

The equalization of rates is still further accounted for by the fact that by water and rail the distances from Baltimore to Atlanta and from Louisville to Atlanta were the same at that time. The prorating mileage from Louisville to Chattanooga was 336 miles, and from Chattanooga to Atlanta 138 miles, making a total of 474 miles from Louisville to Atlanta. The ocean carriers plying between Baltimore and Savannah had a constructive or prorating mileage between those points of 179 miles; adding to this the short-line distance of 295 miles from Savannah to Atlanta made a distance of 474 miles, which was exactly the same as that from Louisville. The constructive water mileage from Baltimore to Savannah is now 250 miles.

Originally the measure of the rates from the East to Atlanta, the difference in the transportation conditions considered, was approximately the equivalent of the water rates to Savannah, Brunswick, or Charleston, and the rail rates inland. In other words, the rail lines met the competition of the water routes operating through any of the South Atlantic Ports. The demands of Atlanta, however, in the way of competition with other cities in its section, combined with the struggle between the eastern and the western routes, have reduced the rates below that measure. Early in 1905, there were still further reductions brought about by the commercial and political interests of Atlanta.

These reductions are also reflected in the present rates to various other cities throughout the territory.

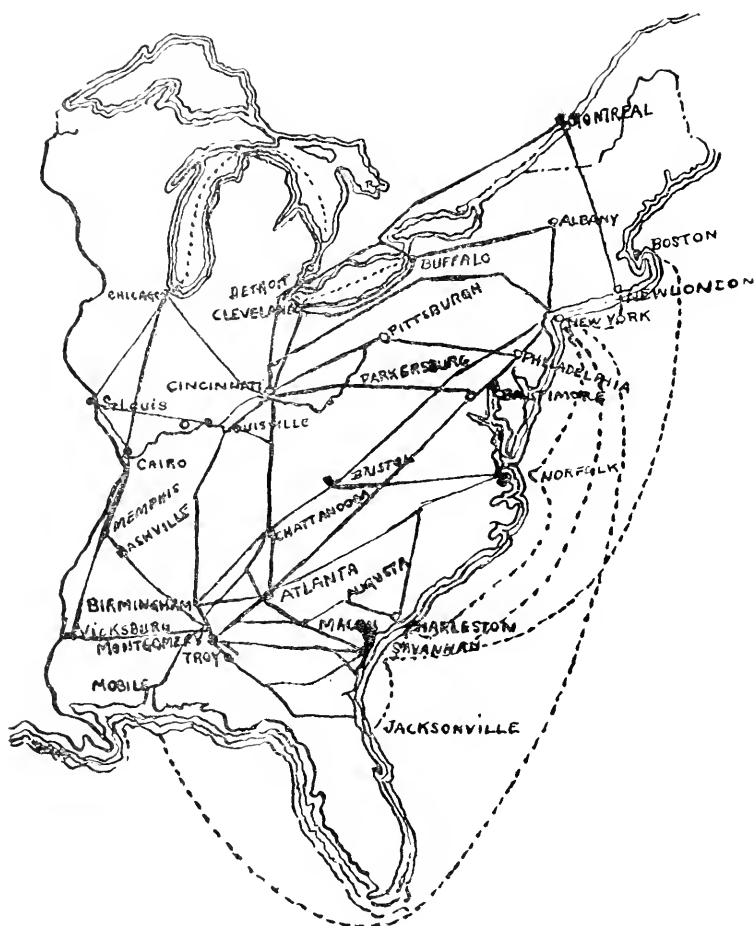
As seen in the intrastate rates prescribed by the several commissions in Southern Territory, the primary basis for rate construction is the distance scale. The rates increase as the distance increases and that basis is not deviated from except where some compelling influence, such as water competition or market competition, intervenes and causes a departure from it. Thus, assuming that there is a single line of railroad from Baltimore to New Orleans with no competitive influence, the rates would be constructed on an ascending scale, reaching its zenith at New Orleans. However, as there is actual water competition between these ports, the rates are depressed, not only between the port cities themselves, but as far inland as a combination of rates to and from the port cities works into the interior to defeat the normal all-rail basis; the rates so established must be met by the all-rail lines if they are to participate in the traffic to such points.

2. DIFFERENTIAL ADJUSTMENTS

Another factor that played no small part in the present adjustment was the competition of the various kinds of routes—that of the all-water lines with the water-and-rail lines, the water-and-rail lines with the all-rail lines, and so forth. On the accompanying map are indicated some of the more important routes that could participate in the movement of freight from New York, N. Y., to Troy, Ala., from which it is apparent that all of the eastern lines are in competition for traffic to this territory.

Prior to the establishment of agreements between the rail carriers and the water lines, some very dis-

astrous rate wars were engaged in, which resulted in good to no one. These wars were disposed of to a great extent, however, when the differential routes, all water



and rail-and-water, from the East were conceded differentials under the all-rail rates by the all-rail lines to points in competitive territory. These differential routes are occasionally termed the rate-making routes.

(a) Via South Atlantic Ports

The rates to points in Southeastern Territory, via the rail-and-water routes, are usually the following differentials less than the all-rail rates:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials..	12	10	9	8	6	5	5	5	5	5	6	8	10

(b) Via Gulf Ports

In so far as coastwise traffic via Gulf ports to Southeastern Territory is concerned, the Mallory Steamship Company, operating between New York and Mobile, Ala., is the controlling factor. Within a considerable radius of Mobile and Pensacola, Fla., combinations of local rates, using the water-line rates to the ports and the rail-line rates therefrom, are considerably less in some instances than those in effect via the water routes operating through the South Atlantic Ports. On other traffic, the Mallory Steamship Company has been conceded differentials under the rail-and-water rates of the lines operating through the South Atlantic Ports. The present adjustment is as follows:

To all destinations on and east of a line drawn from Chattanooga, Tenn., through Birmingham, Calera, Selma, and Montgomery, Ala., to Pensacola, Fla., the following differentials less than the standard rail-and-water rates apply:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials....	5	4	3	2	2	2	2	2	2	2	2	2	4

It should be understood in this connection, however, that combinations can also be effected through Atlantic ports by applying the water-line rate to the port and the rail-line rate therefrom, resulting in figures which the all-rail lines do not attempt to meet.

3. ADJUSTMENT FROM NEW YORK CITY VIA WATER AND RAIL

The testimony introduced in the original long-and-short-haul investigation by the Interstate Commerce Commission in 1887 tended to show that the first-class rate from New York to Atlanta, which at that time was \$1.14 per 100 pounds, was constructed by adding the steamship's proportional rate, which under its tariff at that time was 45 cents from New York to Savannah, to the rate authorized by the Georgia Railroad Commission from Savannah to Atlanta, which was 69 cents, producing a through rate of \$1.14 from New York to Atlanta. The 45-cent steamship rate plus the Georgia Commission rate of 64 cents made a through rate of \$1.09 from New York to Macon. The steamship rate of 45 cents plus the local rate of 51 cents made a through rate of 96 cents from New York to Augusta. These rates were made at that time on the exact combination,² this adjustment having been in effect since April 10, 1884. The water-and-rail rates from Baltimore, Md., and the all-rail rates from Louisville, Ky., and Cincinnati, Ohio, were made on the same basis in so far as the numbered classes were concerned. The following scale was effective for more than twenty years:

Classes.....	1	2	3	4	5	6
Rates.....	107	92	81	68	56	46

The following rates became effective on February 1, 1905:

Classes.....	1	2	3	4	5	6
New York rates.....	105	93	83	68	56	44
Baltimore rates.....	98	87	78	63	52	41
Louisville rates.....	98	87	78	63	52	41
Cincinnati rates.....	98	87	78	63	52	41
New Orleans rates.....	94	83	74	59	48	37

² I. C. C. Rep., 78.

The reduction in rates to Atlanta thus established was brought about not by any increase in the competition of rail or rail-and-water rates but was the result of a compromise between the carriers on the one hand and the Railroad Commission of the state of Georgia, the Atlanta Freight Bureau, and the municipal authorities of the city of Atlanta on the other. In the opinion of the Interstate Commerce Commission in the case of the *Morgan Grain Company v. A. C. L. Ry. Co.*,³ the circumstances surrounding the adjustment of rates to Atlanta in 1905 are described in detail and the conclusion of the Commission is expressed as follows:

The evidence is clear that the charges in each of the complaints that the Atlanta reductions of February 1, 1905, were voluntarily accorded by the railroad companies and that the latter agreed that the reduced rates were just, reasonable, and compensatory have not been sustained, and that the reductions were the result of an adjustment or compromise made by the carriers in view of conditions prior to February 1, 1905, and not of their free choice.

The present rates to Atlanta, therefore, cannot be looked upon as voluntary rates nor can they be looked upon as rates resulting from competition. The reductions that took place in 1905 from West and East were 9, 5, 3, 5, 4, and 5 cents per 100 pounds on Classes 1 to 6, respectively. These reductions in rates to Atlanta, already relatively low, resulted in proportionate reductions in the rates to Columbus, Macon, Augusta, Rome, Athens, Dalton, Cedartown, Cartersville, Cordele, Americus, Albany, and many other places. This necessarily brought about considerable shrinkage in the revenue of these carriers on interstate business hauled to these points.

³19 I. C. C. Rep., 460.

The rates originally established from New York to Atlanta via the South Atlantic Ports were naturally equalized by the rail-and-water lines operating through the Virginia Ports and were, soon after their establishment, applied as maxima to intermediate points. The provisions of the fourth section were observed by these lines. Such, however, was not the case with the lines operating through the ports of Charleston and Savannah, although the lines so operating are the most direct of any which serve Atlanta from New York.

Subsequently, upon the adoption of the reduced basis of rates to Atlanta, the lines serving the Virginia Ports via their routes maintained rates to intermediate points which were upon a higher scale than that to Atlanta. The privilege to continue this adjustment, however, has been denied, as will be indicated in the synopsis of the Commission's order, in so far as rates involved in the adjustment prescribed in this chapter are concerned.

The basis for the rates to Atlanta being thus arrived at, rates to other destinations in Southeastern Territory are made in many cases with relation to these rates, as is indicated in the bases for rate construction set forth in Table 31.

TABLE 31

BASES FOR RATE CONSTRUCTION FROM NEW YORK, N. Y., TO
SOUTHERN COMMON POINTS

FROM NEW YORK, N. Y., To	RATE BASIS APPLICABLE
Anniston, Ala.	Same as original or standard rates to Atlanta, Ga.
Augusta, Ga.	Agreed rates made on Savannah combination, using the water rate to Savannah and the rail rate beyond
Birmingham, Ala. . .	Same as the original or standard rates to Atlanta, Ga.
Chattanooga, Tenn.	All-rail and rail-and-water rates are the same as those to Atlanta, Ga., via rail and water

TABLE 31—Continued

BASES FOR RATE CONSTRUCTION FROM NEW YORK, N. Y., TO
SOUTHERN COMMON POINTS

FROM NEW YORK, N. Y., TO	RATE BASIS APPLICABLE
Cordova, Ala. Jasper, Ala.	The following differentials higher than the rail-and-water rates to Birmingham, Ala.: Classes. 1 2 3 4 5 6 A B C D E H F Differentials. . . 24 20 18 16 14 12 12 12 7 6 14 16 14 with maximum Ohio River combination or Columbus, Miss., rates
Demopolis, Ala.	The following differentials higher than the rates to Selma, Ala.: Classes. 1 2 3 4 5 6 A B C D E H F Differentials. . . 10 8 6 5 4 4 4 4 4 4 4 8 with lowest combination as maximum
Dothan, Ala. Ozark, Ala. Troy, Ala.	The following differentials higher than the rates to Montgomery, Ala.: Classes. 1 2 3 4 5 6 A B C D E H F Differentials. . . 12 10 8 8 8 6 6 5 5 5 6 8 10
Gadsden, Ala.	Same as original or standard rates to Rome, Ga.
Huntsville, Ala.	2 cents per 100 pounds higher than the original or standard rates to Chattanooga, Tenn.
Macon, Ga.	The following differentials less than the rates to Atlanta, Ga.: Classes. 1 2 3 4 5 6 A B C D E H F Differentials. . . 3 2 2 2 1 1 2 1 5 5 6 2 10
Montgomery, Ala. Selma, Ala. Opelika, Ala.	The following differentials over the rates to Atlanta, Ga.: Classes. 1 2 3 4 5 6 A B C D E H F Differentials. . . 3 2 1 1 1 1 0 0 0 0 0 0 0
Tuscaloosa, Ala.	The same rates as to Columbus, Miss., subject to the lowest com- bination as a maximum
Valdosta, Ga. Waycross, Ga.	The same rates as to Albany, Ga., but not in excess of the actual combination through South Atlantic Ports

Slight variations in some of the classes may be noted. This may be attributed to the fact that in some cases the Interstate Commerce Commission has ordered readjustments in interstate rates and the bases have not been revised in accordance therewith. This is due to the fact that the carriers have held the readjustments in abeyance until the effect of the compliance with the Interstate Commerce Commission's order as to the petition of these carriers to violate the fourth section of the Act to Regulate Commerce can be determined. In such cases, however, a modification of the differentials to accord with the existing rates is all that will be necessary.

Although the rates to quite a number of other base and common points of the South are constructed in the same way as to the points indicated in Table 31, it has seemed desirable to arrange these alphabetically in a separate table rather than to include them in Table 31. Accordingly, in Table 32 will be found a list of such points; also the base rate that is to be applied in each case. Assuming, for example, that it is desired to construct the rates to New Decatur, Ala., Table 32 indicates that the Huntsville basis is to be applied; referring to Table 31, we find that the rates to Huntsville are to be constructed 2 cents per 100 pounds

TABLE 32

OTHER COMMON POINTS TAKING THE SAME BASES OF RATES AS
THOSE TO POINTS SHOWN IN TABLE 31

FROM NEW YORK, N. Y., TO	APPLY SAME RATES AS SHOWN IN TABLE 31 TO
Alabama City.....Ala.	Gadsden.....Ala.
Albany.....Ga.	Americus.....Ga.
Americus....."	Columbus....."
Asylum....."	Macon....."
Athens....."	Atlanta....."
Attalla.....Ala.	Birmingham.....Ala.
Avondale....."	"....."
Bessemer....."	"....."
Boyce.....Tenn.	Chattanooga ¹.....Tenn.
Boyles.....Ala.	Birmingham.....Ala.
Cartersville.....Ga.	Rome.....Ga.
Cedartown....."	"....."
Chattahoochee....."	Atlanta....."
Citico.....Tenn.	Chattanooga ¹.....Tenn.
Cordele.....Ga.	Americus.....Ga.
Dalton....."	Atlanta....."
Dawson....."	Eufaula.....Ala.
Decatur.....Ala.	Huntsville....."
Dublin.....Ga.	Hawkinsville.....Ga.
East Birmingham.....Ala.	Birmingham.....Ala.
East Point.....Ga.	Atlanta.....Ga.
Elberton....."	"....."
Ensley.....Ala.	Birmingham.....Ala.
Eufaula....."	Columbus.....Ga.
Fitzgerald.....Ga.	Albany....."
Florence.....Ala.	Huntsville.....Ala.

TABLE 32—Continued

OTHER COMMON POINTS TAKING THE SAME BASES OF RATES AS
THOSE TO POINTS SHOWN IN TABLE 31

FROM NEW YORK, N. Y., TO	APPLY SAME RATES AS SHOWN IN TABLE 31 TO
Ft. McPherson.....Ga.	Atlanta.....Ga.
Gainesville....."	"....."
Gate City.....Ala.	Birmingham.....Ala.
Grasselli....."	"....."
Hapeville.....Ga.	Atlanta.....Ga.
Harriman.....Tenn.	Chattanooga ¹.....Tenn.
Harriman Jet....."	"....."
Hawkinsville.....Ga.	Macon.....Ga.
Irondale.....Ala.	Birmingham.....Ala.
Jasper....."	Cordova.....Ga.
LaGrange.....Ga.	Atlanta....."
Lindale....."	Rome....."
Milledgeville....."	Macon....."
New Decatur.....Ala.	Huntsville.....Ala.
North Birmingham....."	Birmingham....."
Oxmoor....."	"....."
Ozark....."	Dothan....."
Pratt City....."	Birmingham....."
Quitman.....Ga.	Albany.....Ga.
Rome....."	Atlanta....."
Ruffner.....Ala.	Birmingham.....Ala.
Sheffield....."	Huntsville....."
State Farm.....Ga.	Macon.....Ga.
Thomas.....Ala.	Birmingham.....Ala.
Thomasville.....Ga.	Albany.....Ga.
Tifton....."	"....."
Tuscumbia.....Ala.	Huntsville.....Ala.
Vienna....."	Cordele....."
Washington....."	Elberton....."
West Point....."	Opelika.....Ala.
Wheeling....."	Birmingham....."
Woodlawn....."	"....."
Woodward....."	"....."

¹Ohio River combination not to be exceeded.

higher than the original standard rates to Chattanooga, Tenn., which are shown in Table 33. Adding this differential to the various classes gives the following as the rates currently applicable to New Decatur, Ala.:

Classes .	1	2	3	4	5	6	A	B	C	D	E	H	F
Rates ..	116	100	88	75	62	51	38	50	42	41	60	70	82

In Table 33 are given the rates currently in effect from New York to the more important base points

throughout the South applicable in connection with the rail-and-water routes. In connection with this feature of the treatise, however, attention is directed to the unsettled condition of rates in this territory; in case of the actual use of these rates, they should be confirmed by inquiry through interested lines.

TABLE 33

GENERAL ADJUSTMENT OF RAIL-AND-WATER RATES FROM NEW YORK, N. Y., TO SOUTHERN COMMON POINTS

FROM NEW YORK, N. Y., TO	RATES IN CENTS PER 100 POUNDS EXCEPT AS NOTED													
	Classes ¹													
	1	2	3	4	5	6	A	B	C	D	E	H	F ²	
Albany, Ga.	105	93	83	68	56	44	36	48	40	39	58	60	78	
Americus, Ga.	105	93	83	68	56	44	36	48	40	39	58	60	78	
Anniston, Ala.	114	98	86	73	60	49	36	48	40	39	58	68	78	
Atlanta, Ga. ³	114	98	86	73	60	49	36	48	40	39	58	68	78	
“ “	105	93	83	68	56	44	36	48	40	39	58	60	78	
Augusta, Ga.	96	81	70	58	47	37	28	42	32	31	43	54	61	
Birmingham, Ala.	114	98	86	73	60	49	36	48	40	39	58	68	78	
Chattanooga, Tenn.	105	93	83	68	56	44	36	48	40	39	58	60	78	
Columbus, Ga.	105	93	83	68	56	44	36	48	40	39	58	60	78	
Columbus, Miss.	138	120	102	83	70	58	52	58	47	47	61	74	94	
Cordele, Ga.	105	93	83	68	56	44	36	48	40	39	58	60	78	
Cordova, Ala.	138	118	102	78	66	52	48	53	45	41	61	70	82	
Demopolis, Ala.	118	103	90	74	61	49	40	52	44	40	62	67	80	
Dothan, Ala.	120	105	92	77	65	51	42	53	45	44	64	76	88	
Elberton, Ga.	105	93	83	68	56	44	36	48	40	39	58	60	78	
Eufaula, Ala.	105	93	83	68	56	44	36	48	40	39	58	60	78	
Gadsden, Ala.	114	98	86	73	60	49	36	48	40	39	58	68	78	
Hawkinsville, Ga.	102	91	81	66	55	43	34	47	35	34	52	58	68	
Huntsville, Ala.	116	100	88	75	62	51	38	50	42	41	60	70	82	
Macon, Ga.	102	91	81	66	55	43	34	47	35	34	52	58	68	
Montgomery, Ala.	108	95	84	69	57	45	36	48	40	39	58	68	78	
Opelika, Ala.	108	95	84	69	57	45	36	48	40	39	58	68	78	
Rome, Ga.	105	93	83	68	56	44	36	48	40	39	58	60	78	
Selma, Ala.	108	95	84	69	57	45	36	48	40	39	58	68	78	
Tuscaloosa, Ala.	138	120	102	83	70	58	51	56	47	42	61	65	88	

¹Governed by the Southern Classification.

²Per barrel.

³These rates are known as the original or standard rates and are not applicable on traffic to Atlanta. They are reproduced only as a matter of information.

(a) Commodity Rates

In Table 34 is shown a representative line of commodity rates applicable from New York, N. Y., to Atlanta, Ga., via rail-and-water routes. Rates from other points of origin or to other points of destination are usually arrived at by adding the corresponding class differential to the base rate or deducting the differential from the base rate. Thus, assume that it is desired to construct the rate on bagging to Montgomery, Ala., bagging (in carloads) being classified at sixth class in the Southern Classification. Reference to Table 31 indicates that the sixth-class rate to Montgomery, Ala., is 1 cent per 100 pounds higher than the rate to Atlanta. Therefore, the rate on bagging would be made by adding 1 cent to the Atlanta rate, producing 33 cents as the rate applicable to Montgomery, Ala.

TABLE 34

COMMODITY RATES FROM NEW YORK, N. Y., TO ATLANTA, GA.

COMMODITIES	RATES IN CENTS PER 100 POUNDS EXCEPT AS NOTED
Agricultural implements, C. L., min. wt. 20,000 lbs., viz.: Corn planters, cotton choppers, cotton planters, cultivators, field rollers, grain drills, guano distributors, harrows, plows, potato diggers, potato planters, seed sowers (not hand), stalk cutters (field), transplanters, and parts thereof when shipped in carloads with implements named	38
Asphalt (asphaltum), natural or by product, solid, C. L., min. wt. 40,000 lbs., and liquid other than paint, stain, or varnish, in barrels or iron drums, min. wt. 40,000 lbs....	27
Cement, portland or natural, in barrels or sacks, C. L., min. wt. 40,000 lbs., in cents per ton of 2,000 lbs.....	17
Food preparation, viz.: Oatmeal, rolled oats, rolled, cracked, crushed, or flaked wheat, flaked rye, flaked, rolled, and pearl barley, hominy grits, and flaked hominy, packed or in barrels, kegs, drums, half barrels, or in cotton or gunny sacks: C. L.....	33
L. C. L.....	40

TABLE 34—Continued

COMMODITY RATES FROM NEW YORK, N. Y., TO ATLANTA, GA.

COMMODITIES	RATES IN CENTS PER 100 POUNDS EXCEPT AS NOTED
Iron and steel articles:	
Rails, C. L., min. wt. 20 gross ton.....	744
Railroad track material, viz.:	
Chairs, cross ties, clamps, or fastenings; frog fillings, frogs nut locks and spikes, splice bars, switch chains, switches, switch stands, tie plates, track bolts, track braces, track nuts, washers, C. L., per gross ton.....	744
Leather sole, in boxes, rolls, or burlapped bales, L. C. L.....	68
Pipe sewer, min. wt. 30,000 lbs.....	22
Plaster, wall, building, moulding, fancy, and decorating, all kinds, (including plaster of paris) and ground gypsum rock, C. L., min. wt. 60,000 lbs., but not in excess of marked capacity of car.....	27
Soap and washing powders, any quantity.....	30
Soap, in boxes or barrels, agreed to be of value of not exceeding 5 cents per pound and so expressed in bills of lading, C. L., min. wt. 30,000 lbs.....	30
L. C. L.....	30
Starch, C. L., min. wt. 30,000 lbs.....	36
Tar and pitch, C. L., min. wt. 40,000 lbs.....	28
Wool, C. L.....	63

4. ADJUSTMENT FROM POINTS RELATED TO ATLANTA, GA.

The important cities within the sub-territory⁴ of the western lines are Huntsville, Florence, Decatur, Birmingham, Montgomery, and Selma. These cities have adjustments from the West which do not directly hinge upon the corresponding rates to Atlanta, although the rates themselves often reflect the conditions found at the latter city.

From the East, however, there has always been a definite relationship between the cities just spoken of

⁴Montgomery Sub-Territory. See Map 5, Atlas of Traffic Maps.

and Atlanta. Thus, for example, should there be a reduction in the first-class rate from an Ohio River Crossing or a Mississippi River Crossing, or from one of the Eastern Cities or Virginia Cities to Atlanta or to any other important jobbing center of the southeast, like reductions would occur at practically all of these terminal cities, which would be followed, as will be explained, by reductions at nearly all other destinations, local or junction.

5. ADJUSTMENT TO LOCAL POINTS

In connection with the development of the southern rate structure, while the interested carriers have generally met the competitive influences as they existed at common points, it has been the policy to hold intermediate points or local points on a somewhat higher basis than that which applies to the common points, the rate to the base point being employed even if it be more distant than the local rate from the base point to the final destination. This resulted in the celebrated long-and-short-haul clause, in regard to which the Interstate Commerce Commission has but recently announced its decision.⁵ In general, this decision has sustained the policy of the carriers, although prohibiting the continuance of rates to intermediate points which are on a higher basis than the rates to the common points plus the local rates back to destination. Concerning this feature, the Interstate Commerce Commission, in another case, stated as follows:

Whatever may be said in justification of the basing-point system, we do not think that the basing-point system itself

⁵30 I. C. C. Rep., 153, 336.

necessarily requires that joint through rates over long distances to local or noncompetitive points should now be made by adding to the basing-point rates either the full locals or high differentials. Stated in other words, for fear of misapprehension, we do not wish to be understood as passing upon the reasonableness of the local rates from the various basing points to points of ultimate destination when applied to local service; neither do we wish to be understood as condemning the application of differentials lower than such locals in the making of joint through rates beyond or intermediate to such basing points; what we do say is: that, in the making of joint through rates on long-distance traffic, to local or noncompetitive points, the differentials above the rates to the basing points should bear some reasonable relation to the total distances involved; and that where the long-haul traffic to local stations is meager these differentials may perhaps be higher than otherwise they would be.⁶

Inasmuch as the Commission's order in regard to the fourth section violations in this territory affects principally the local points throughout the South, considerable attention should be given to it with respect to such points as are discussed in this chapter. Although this order, which is reproduced in substance in Appendix A of these treatises, will cause some departure from the present basis, indicated in Table 35, it has seemed desirable to give the basis in use at the present time for two reasons: (1) Some time may elapse before the federal order can be complied with and (2) an understanding of the present method of rate-making is necessary in order to appreciate the full force of the reduction ordered.

In Table 35 is given the present basis employed in establishing the local rates to some of the divisions of the various railroads in the South.

⁶28 I. C. C. Rep., 154, 172.

TABLE 35

BASES FOR RATES FROM NEW YORK, N. Y., TO LOCAL STATIONS
IN SOUTHEASTERN TERRITORY

TO INTERMEDIATE POINTS LOCATED ON THE FOLLOWING LINES	RATE BASIS APPLI- CABLE
Atlantic Coast Line Railroad: West of Savannah in Georgia.....	Note 1
Local stations in Alabama.....	Note 2
Central of Georgia Railway: North of Macon, Ga., to Atlanta, Ga., and Chattanooga, Tenn., and west of Macon to Columbus, Ga., and Eufaula, Ala., and between Smithville, Ga., and Columbia, Ala.....	Note 3
Between Gordon, Ga., and Covington, Ga.....	Note 4
To stations between Eufaula, Ala., and Montgomery, Ala.; Columbus, Ga., and Hurtsboro, Ala.....	Note 5
To stations between Eufaula, Ala., and Ozark, Ala., and between Columbus, Ga., and Andalusia, Ala.; Dothan, Ala., and Lakewood, Fla.....	Note 6
To stations between Columbus, Ga., and Opelika, Ala.....	Note 7
To stations between Opelika, Ala., and Birmingham, Ala.....	Note 8
Seaboard Air Line Railway: Between Atlanta, Ga., and Greenwood, S. C.....	Note 9
Southern Railway: Between Seneca, S. C., and Atlanta, Ga., including Athens branch and between Atlanta, Ga., and Chattanooga, Tenn.	Note 10
Between Austell, Ga., and Birmingham, Ala.....	Note 11
Between Toccoa, Ga., and Elberton, Ga.....	Note 12
To other intermediate points.....	Note 13

NOTE 1. The rates are made with regard to those to the junction points, but not in excess of the combination of rates to and from the ports. The present-day differences as compared with the common point show that the rates to intermediate points are the following differentials higher than the rates to the junction points:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials....	9	9	5	5	4	4	2	0	0	0	6	6	0

NOTE 2. To local stations on the same railroad in Alabama, the rates are the following differentials higher than the rates to Montgomery:

Classes....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials	22	19	17	16	14	12	12	10	10	5	12	14	20

NOTE 3. To local stations on the Central of Georgia Railway, north of Macon, Ga., to Atlanta, Ga., and Chattanooga, Tenn., west of Macon, Ga., to Columbus, Ga., and Eufaula, Ala., and between Smithville, Ga., and

Columbia, Ala., rates are made on the combination but not to exceed a blanket scale of rates, which is not greatly in excess of the rates to the more important basing points.

NOTE 4. The rates to Covington, Ga., are maxima.

NOTE 5. Combination rates are not to exceed those currently in effect to Union Springs, Ala.

NOTE 6. Rates are not to exceed the following differentials over the rates to Montgomery, Ala.:

Classes	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials	22	19	17	16	14	12	12	10	10	5	12	14	20

NOTE 7. To stations between Columbus, Ga., and Opelika, Ala., the rates, prior to February 1, 1905, were on the Opelika scale, but when the rates to Opelika were reduced on the date specified, no change was made in the intermediate rates.

NOTE 8. Rates are not to exceed those currently in effect to Sylacauga and Childersburg, Ala.

NOTE 9. To stations on the Seaboard Air Line Railway, between Atlanta, Ga., and Greenwood, S. C., the general basis was the same as that to Atlanta, but when the rates to Atlanta, which became effective February 1, 1905, were reduced, no change was made in the rates to these stations.

NOTE 10. Chattanooga rates in effect prior to February 1, 1905, are maxima.

NOTE 11. The rates are not to exceed those made by the Central of Georgia Railway to Leeds, Ala.

NOTE 12. The rates are the following differentials higher than the Toccoa rates:

Classes	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials . . .	4	4	4	4	3	3	3	3	2½	2	3	4	5

NOTE 13. The rates are made on the lowest combination.

6. CURRENT RATES ILLUSTRATIVE OF PRESENT ADJUSTMENT

(a) *To Memphis, Tenn., and Intermediate Points*

Taking the route formed by the Norfolk and Western Railway and the Southern Railway from Bristol, Tenn.-Va., to Memphis, Tenn., the rates to the more important points as well as to some of the local points are indicated in Table 36.

TABLE 36

CLASS RATES FROM NEW YORK, N. Y., TO MEMPHIS, TENN.,
AND INTERMEDIATE POINTS

FROM NEW YORK, N. Y., TO	RATES IN CENTS PER 100 POUNDS EXCEPT AS NOTED													
	Classes ¹													
	1	2	3	4	5	6	A	B	C	D	E	H	F ²	
Bristol, Tenn.-Va. ³	91½	78	60½	42	37	28								
Bluff City, Tenn.	110	95	78½	58	51	38	41	39	37	37	57	62	74	
Johnston City, Tenn.														
C. L.	100	85	70	55	48	40	43	45	39	38	58	62	77	
L. C. L.	110	95	80	60	53	40	43	45	39	38	58	62	77	
Morristown, Tenn.	110	95	80	62	55	48	43	45	39	38	58	62	77	
Knoxville, Tenn.	100	85	70	55	48	40	36	40	36	36	48	55	72	
Chattanooga, Tenn.	105	93	83	68	56	44	36	48	40	39	58	60	78	
Huntsville, Ala.	116	100	88	75	62	51	38	50	42	41	60	70	82	
Decatur, Ala.	116	100	88	75	62	51	38	50	42	41	60	70	82	
Huntsville, Ala.	116	100	88	75	62	51	38	50	42	41	60	70	82	
Corinth, Miss.	138	120	98	75	63	52	52	52	46	46	61	72	92	
Middleton, Tenn.	141	121	97	72	60	51	52	52	46	46	61	72	92	
Grand Junction, Tenn.	141	121	97	71	59	50	50	50	46	44	59	71	91	
Memphis, Tenn. ³	100	85	65	45	38	32								
Nashville, Tenn. ³	91	78	60	42	36	31								
Clarksville, Tenn. ^{3 4}	101	88	70	50	44	39								

¹Governed by the Southern Classification, except as noted.

²Per barrel.

³Governed by the Official Classification.

⁴Teamtrack delivery.

It will be observed from Table 36 that the rates to a number of the intermediate points exceed the rates to Memphis, Tenn., the most distant point on this selected route. The rates to Memphis, Tenn., however, may be attributed to the competition of the northern and southern transportation routes for traffic originating at or destined to points in Trans-Missouri Territory. In order to compete, it is necessary that the southern routes have substantially the same rates to the Mississippi River as their northern rivals. As explained in the treatise devoted to the construction of freight rates in Western Territory, to points in Arkansas, Oklahoma, Louisiana, and Texas, and the Republic of Mexico,

Memphis is conceded a differential under the established St. Louis rates, which in some cases entirely offsets the difference between the rates from the East to Memphis and the rates to St. Louis. The basing rates from New York and Boston to St. Louis are on the 117% scale in so far as class rates are concerned, as explained in the treatise devoted to rate construction in Official Classification Territory.

(b) To Jacksonville, Fla., and Intermediate Points

Table 37 sets forth the rates currently in effect from New York, N. Y., to stations on the Atlantic Coast Line Railroad.

TABLE 37

RATES FROM NEW YORK TO STATIONS ON THE ATLANTIC COAST
LINE RAILROAD FROM GOLDSBORO, N. C., TO
JACKSONVILLE, FLA., INCLUSIVE

FROM NEW YORK, N. Y., TO	RATES IN CENTS PER 100 POUNDS EXCEPT AS NOTED													
	Classes ¹													
	1	2	3	4	5	6	A	B	C	D	E	H	F ²	
Goldsboro, N. C.	84	73	61	47	41	32	28	33	32	29	41	47	62	
Wilmington, N. C.	63	52	43	36	28	19	16	16	16	14	28	29	28	
Selma, N. C.	84	73	61	47	41	32	28	33	32	29	41	47	62	
Dunn, N. C.	91	80	67	53	46	36	29	35	34	31	46	53	66	
Fayettesville, N. C.	91	80	67	53	43	30	28	24	23	20	43	43	44	
Pembroke, N. C.	98	87	74	60	50	39	31	36½	36	31	51½	60	66	
Bennettsville, S. C.	98	87	74	60	50	39	31	36½	36	31	51½	60	66	
Sumter, S. C.	98	87	74	60	50	39	31	36½	36	31	51½	60	66	
Columbia, S. C.	96	81	70	58	47	37	28	42	32	31	43	54	61	
Orangeburg, S. C.	98	87	74	60	50	39	31	36½	36	31	51½	60	66	
Charleston, S. C.	72	60	50	35	29	25	25	23	23	23	32	32	46	
Denmark, S. C.	98	87	74	60	50	39	31	36½	36	31	51½	60	66	
Barnwell, S. C.	98	91	76	62	53	44	31	40½	36	34	51½	60	66	
Allendale, S. C.	98	91	76	62	53	44	31	40½	33	34	51½	60	60	
Yemassee, S. C.	106	93	79	65	51	45	35	40	31	30	49	63	61	
Beaufort, S. C.	72	60	50	35	29	25	25	23	23	23	32	32	46	
Jacksonville, Fla.	75	63	53	37½	31	27	27	25	25	25	34	34	50	

¹Governed by the Southern Classification.

²Per barrel.

TABLE 38

CLASS RATES VIA RAIL AND WATER FROM NEW YORK, N. Y., TO
STATIONS ON THE SOUTHERN RAILWAY, THE WESTERN
RAILWAY OF ALABAMA, AND THE LOUISVILLE
& NASHVILLE RAILROAD FROM DAN-
VILLE, VA., TO MOBILE, ALA.

FROM NEW YORK, N. Y., To	RATES IN CENTS PER 100 POUNDS EXCEPT AS NOTED													
	Classes ¹													
	1	2	3	4	5	6	A	B	C	D	E	H	F ²	
High Point, N. C.	89	78	65	51	45	35	29	35	34	29	45	52	66	
Lexington, N. C.	91	80	67	53	46	36	29	35	34	31	46	53	66	
Salisbury, N. C.														
Harrisburg, N. C.	91	80	67	53	46	36	29	35	34	31	46	53	66	
Charlotte, N. C.														
Belmont, N. C.	103	92	79	65	54	43	33	39	39	36	54	66	75	
Gastonia, N. C.	103	92	79	65	54	43	33	39	39	36	54	66	75	
Kings Mountain, N. C.	103	92	79	65	54	43	33	39	39	32	54	66	75	
Blacksburg, S. C.	103	92	79	65	54	43	33	39	39	36	54	66	75	
Gaffney, S. C.	107	101	83	67	56	51	35	45	39	38	58	70	75	
Cowpens, S. C.	112	98	85	70	58	49	36	47	40	39	58	68	76	
Spartanburg, S. C.	114	98	86	73	60	49	36	48	40	39	58	68	78	
Duncan, S. C.	114	98	86	73	60	49	36	48	40	39	58	68	78	
Greenville, S. C.	114	98	86	73	60	49	36	48	40	39	58	68	78	
Liberty, S. C.	114	98	86	73	60	49	36	48	40	39	58	68	78	
Seneca, S. C.	114	98	86	73	60	49	36	48	40	39	58	68	78	
Madison, S. C.	114	98	86	73	60	49	36	48	40	39	58	68	78	
Toccoa, Ga.	114	98	86	73	60	49	36	48	40	39	58	68	78	
Cornelia, Ga.	114	98	86	73	60	49	36	48	40	39	58	68	78	
Bellton, Ga.														
Gainesville, Ga.	105	93	83	68	56	44	36	48	40	39	58	60	78	
Buford, Ga.	114	98	86	73	60	49	36	48	40	39	58	68	78	
Suwanee, Ga.														
Dunwoody, Ga.	118	102	90	77	63	52	39	51	42½	41	61	72	83	
Atlanta, Ga.	105	93	83	68	56	44	36	48	40	39	58	60	78	
Madras, Ga.	131	116	104	87	71	56	48	60	47½	43½	73	79	91	
Newnan, Ga.	125	111	98	81	67	54	46	55	43	40	67	73	82	
St. Charles, Ga.	127	113	101	84	69	55	47	59	47½	45	71	76	93	
LaGrange, Ga.	105	93	83	68	56	44	36	48	40	39	58	60	78	
Gabbettville, Ga.	120	106	94	77	64	51	42	54	44½	42½	65	70	87	
West Point, Ga.	108	95	84	69	57	45	36	48	40	39	58	68	78	
Cusseta, Ga.	130	115	102	85	71	56	47	61	49	47	73	86	96	
Opelika, Ala.	108	95	84	69	57	45	36	48	40	39	58	68	78	
Notasulga, Ala.	133	118	105	87	72	58	48	62	49	47	74	87	96	
Franklin, Ala.	143	127	112	91	76	61	51	65	51	49	78	94	100	
Montgomery, Ala.	108	95	84	69	57	45	36	48	40	39	58	68	78	

¹Governed by the Southern Classification.

²Per barrel.

In the route selected for Table 37 the influence of water competition is felt to a much greater extent than in the other routes, owing to the close proximity of this route to the coast ports. The rates to the first inland point shown therein, viz., Goldsboro, N. C., exceed the rates applied to the most distant point, viz., Jacksonville, Fla.

(c) *To Gentilly, La., and Intermediate Points*

In Table 38 we note a gradually ascending scale of rates to local points until Montgomery, Ala., is reached. This scale is broken into at frequent intervals by lower rates to common points, but it may be taken as representative of any route that might be selected in this territory.

Upon reaching Montgomery the publication of through rates is discontinued and a combination basis is authorized. In so far as this territory is concerned, the authorized combination is on Pensacola, Fla., Mobile, Ala., Montgomery, Ala., Nashville, Tenn., or Louisville, Ky., whichever produces the lowest basis. The rates to these base points from New York are as indicated in Table 39.

TABLE 39
BASING RATES FROM NEW YORK, N. Y., TO SOUTHERN POINTS

FROM NEW YORK, N. Y., TO	RATES IN CENTS PER 100 POUNDS EXCEPT AS NOTED												
						Classes							
	1	2	3	4	5	6	A	B	C	D	E	H	F ¹
Montgomery ² ...	108	95	84	69	57	45	36	48	40	39	58	68	78
Louisville ³	75	65	50	35	30	25							
Mobile ³	100	85	69	54	46	39							
Nashville ³	91	78	60	42	36	31							
Pensacola ³	75	65	55	45	40	35							

¹Per barrel.

²Governed by the Southern Classification.

³Governed by the Official Classification.

Taking some of the representative points on the route indicated in Table 40 between Montgomery, Ala., and Mobile, the basing rates are expressed as is indicated in Table 39.

TABLE 40

ARBITRARY ADJUSTMENT TO INTERIOR ALABAMA, MISSISSIPPI, AND LOUISIANA POINTS

TO MAKE THROUGH RATES TO	ADD THE FOLLOWING LOCAL RATES TO JUNCTION POINTS NAMED, ADOPTING LOWEST TOTALS AS THROUGH RATES	RATES IN CENTS PER 100 POUNDS EXCEPT AS NOTED													
		Classes ¹													
		1	2	3	4	5	6	A	B	C ²	D	E	H	F ³	
Catoma, Ala.	Louisville, Ky.	108	88	78	64	57	47	34	40	27	25	50	45	54	
	Mobile, Ala.	62	50	39	32	27	26	21	26	17	16	30	25	30	
	Montgomery, Ala.	12	10	9	8	7	6	6	6	5	5	6	6	10	
	Nashville, Tenn.	75	72	62	49	41	34	26	32	20	20	39	27	40	
	Pensacola, Fla.	62	50	39	32	27	26	21	26	17	15	30	25	30	
Fort Deposit, Ala. ..	Louisville, Ky.	110	90	78	65	60	56	45	51	33	25	56	56	66	
	Mobile, Ala.	64	55	49	43	38	36	32	36	18	15	36	36	28	
	Montgomery, Ala.	29	25	22	19	18	17	17	17	11	9	17	17	22	
	Nashville, Tenn.	92	81	64	59	52	45	37	43	26	23	50	38	52	
	Pensacola, Fla.	60	52	46	41	36	33	32	33	18	15	33	33	36	
Georgiana, Ala.	Louisville, Ky.	110	90	78	65	60	56	52	56	34	25	56	56	68	
	Mobile, Ala.	58	50	44	39	34	32	32	32	17	14	32	32	34	
	Montgomery, Ala.	41	35	31	20	26	24	24	24	12	10	24	24	24	
	Nashville, Tenn.	99	83	65	60	55	51	44	50	27	24	51	45	54	
	Pensacola, Fla.	56	48	43	38	33	31	31	31	17	14	31	31	34	
Evergreen, Ala.	Louisville, Ky.	113	92	78	67	62	58	54	58	34	27	58	58	68	
	Mobile, Ala.	55	47	42	37	32	30	30	30	16	13	30	30	32	
	Montgomery, Ala.	51	44	39	34	31	29	29	29	15	12	29	29	30	
	Nashville, Tenn.	102	85	66	61	56	52	49	52	28	24	52	49	60	
	Pensacola, Fla.	51	44	39	34	31	29	29	29	15	12	29	29	30	
Flomaton, Ala.	Louisville, Ky.	113	92	78	67	62	56	46	58	30	26	49	58	60	
	Mobile, Ala.	43	37	33	30	27	25	25	25	12	10	25	25	24	
	Montgomery, Ala.	58	50	44	39	34	32	32	32	17	14	32	32	34	
	Nashville, Tenn.	102	85	66	61	56	50	42	48	28	24	44	41	56	
	Pensacola, Fla.	35	30	27	23	22	21	21	21	12	10	21	21	24	
Perdido, Ala.	Louisville, Ky.	113	92	78	67	60	54	44	57	29	25	47	58	58	
	Mobile, Ala.	32	27	24	21	20	19	19	19	11	9	19	19	22	
	Nashville, Tenn.	102	85	66	61	53	48	40	46	27	24	42	39	54	
Hurricane, Ala.	Louisville, Ky.	110	92	78	63	52	46	36	49	25	23	39	58	50	
	Mobile, Ala.	20	17	15	13	12	11	11	11	7	7	11	11	14	
	Nashville, Tenn.	95	80	66	55	45	40	32	38	23	22	34	31	46	
Biloxi, Miss.	Louisville, Ky.	102	85	74	58	47	41	31	42	27½	25	34	39	55	
	Mobile, Ala.	29	25	22	19	18	17	17	17	11	9	17	17	22	
	New Orleans, La.	29	25	22	19	18	17	17	17	11	9	17	17	22	
	Nashville, Tenn.	104	88	70	61	51	46	38	33	23	18	40	37	41	
Gentilly, La.	Louisville, Ky.	102	85	74	58	47	41	31	42	27½	25	34	39	55	
	Nashville, Tenn.	83	73	64	50	40	35	27	33	23	18	29	26	41	
	New Orleans, La. ...	12	10	9	8	7	6	6	6	5	5	6	6	10	

¹Governed by the Southern Classification.

²C. L. only.

³Per barrel.



It will be observed that at Catoma, Ala., which is the first station outside of Montgomery, Ala., the rates would unquestionably make on the Montgomery combination, whereas at Hurricane, Ala., the combination would be effected on Mobile. It should be understood, in this connection, that if a shipment were destined to Hurricane and the rate made on the Mobile combination, it would not be necessary for the carrier actually to transport the goods to Mobile and back again. At intermediate points, such as Fort Deposit, Georgiana, or Flomaton, Ala., the combination may be made on either Montgomery or Mobile.

Illustrative of the various combinations, the accompanying map shows the method of determining the first-class rail-and-water rates from New York to Flomaton, Ala.

On the other hand, due to differences in classification, it may be possible at times to employ the Louisville, Nashville, or Mobile combination to advantage in order to defeat any of the other combinations. A basis such as this is quite complicated and necessitates considerable figuring to determine the most economical route.

7. FOURTH SECTION ORDERS

The orders of the Interstate Commerce Commission affecting the points touched upon in this chapter will be found in Appendix B.

CHAPTER XI

SOUTHEASTERN TERRITORY—Continued

1. ADJUSTMENT FROM EASTERN POINTS OTHER THAN NEW YORK

In contrast with other North Atlantic Ports, by far the greatest volume of traffic destined to Southeastern Territory originates in the vicinity of New York. Such being the case, it is only natural that the rates from the other port cities be made with reference to the established rates from New York.

(a) From Boston, Mass., and Providence, R. I.

The water-and-rail rates from Boston, Mass., and Providence, R. I., are made the same as the water-and-rail rates from New York, N. Y., to all destinations except Gainesville, Ga., to which point the rates are held arbitrarily 5 cents higher on each class than the New York rates.

A representative line of class rates applying via all rail from Boston, Mass., and Providence, R. I., is indicated in Table 41. The route selected is that of the Southern Railway to Birmingham, Ala., the Alabama Great Southern Railroad to Meridian, Miss., and the Alabama & Vicksburg Railway to Vicksburg, Miss., traversing the central portion of this territory and thus being removed as far as possible from the effect of water competition. Nevertheless, it will be observed that the rates

at many points are depressed to a lower level than those to intermediate points, which should clearly indicate the compelling nature of this competition.

TABLE 41

CLASS RATES VIA ALL RAIL FROM BOSTON, MASS., AND
PROVIDENCE, R. I., TO POINTS IN
SOUTHEASTERN TERRITORY

FROM BOSTON, MASS., AND PROVIDENCE, R. I., TO	RATES IN CENTS PER 100 POUNDS EXCEPT AS NOTED											
	1	2	3	4	5	Classes ¹		C	D	E	H	F ²
	6	A	B	C	D	E	H	F ²				
Burgess, Va.	68	59	52	44	37	30	29	37	30	29	..	48
Dinwiddie, Va.	72	63	55	46	38	31	30	38	31	30	..	50
McKenney, Va.	80	69	61	50	42	34	32	41	34	32	..	56
Alberta, Va.	86	73	62	47	40	33	33	37	3	33	40	66
Skelton, Va.	95	83	69	52	45	38	37	41	30	35	..	69
Bracey, Va.	101	88	75	59	52	40	38	42	41	38	..	73
Henderson, N. C.	101	88	75	60	52	42	38	43	42	39	52	82
Tar River, N. C.	101	88	75	60	52	42	38	4	42	39	52	82
Durham, N. C.	101	88	75	60	52	42	38	43	42	39	52	82
Hillsboro, N. C.	101	88	75	60	52	42	38	43	42	39	52	82
Greensboro, N. C.	101	88	75	60	52	42	38	43	42	39	52	82
High Point, N. C.	106	93	79	64	56	45	39	45	44	39	56	86
Lexington, N. C.	108	95	81	66	57	46	39	45	44	41	57	86
Concord, N. C.	108	95	81	66	57	46	39	45	44	41	57	86
North Charlotte, N. C.	108	95	81	66	57	46	39	45	44	41	57	86
Kings Mountain, N. C.	120	107	93	78	65	53	43	49	49	42	65	95
Blacksburg, S. C.	120	107	93	78	65	53	43	49	49	46	65	95
Cowpens, S. C.	129	113	99	83	69	59	46	57	50	49	69	98
Spartanburg, S. C.	131	113	100	86	71	59	46	58	50	49	69	98
Fair Forest, S. C.	131	113	100	86	71	59	46	58	50	49	69	98
Seneca, S. C.	131	113	100	86	71	59	46	59	50	49	69	98
Toccoa, Ga.	131	113	100	86	71	59	46	58	50	49	69	98
Dunwoody, Ga.	135	117	105	90	74	62	49	61	52½	51	72	103
Atlanta, Ga.	117	103	92	76	62	49	41	53	45	44	64	88
Freeman, Ga.	142	126	107	91	74	60	47	59	51	49	72	100
Anniston, Ala.	126	108	95	81	66	54	41	53	45	44	64	88
Pell City, Ala.	142	123	107	91	74	60	47	59	51	50	72	100
Birmingham, Ala.	127	108	95	81	66	54	41	53	45	44	64	88
Black Creek, Ala.	155	133	116	98	81	66	53	66	52	51½	78	103
Cottondale, Ala.	161	138	120	100	83	68½	55	62	51	49	74	98
Tuscaloosa, Ala.	150	130	111	91	76	63	56	61	52	47	67	73
Hull, Ala.	171	147	126	104	88	72	61½	66	52	51½	78½	80
Akron, Ala.	169	155	124½	103	88	71½	56	68	58	53	81	83
McClure, Ala.	167	143	123	102	87	71	61	69	55	54	80	86
Boligee, Ala.	161	138	119	99	84	68½	59	67	53	52½	77½	89
Epas, Ala.	155	133	115	96	81	66	57	65	51	51	75	90
Livingston, Ala.	149	128	111	93	78	63½	55	63	49	49½	72½	87
York, Ala.	143	123	107	90	75	61	48	61	50	48	70	84
Kewanee, Miss.	137	118	103	87	72	58½	51	59	48	46½	69½	81
Russell, Miss.	129	111	97	82	67	55	47	55	47	44	65	76
Meridian, Miss.	114	98	86	73	60	49	41	48	40	39	58	68
Hickory, Miss.	169	148	122	95	82	70	58	58½	58	51	71	95
Newton, Miss.	134	115	101	83	69	55	46	53	52	44	70	80
Lake, Miss.	169	148	122	98	82	70	58	58½	58	51	71	97
Morton, Miss.	169	148	122	98	82	70	58	58½	58	51	71	97
Frankfort, Miss.	124	109	93	83	71	64	57	53½	48	46	60	85
Bolton, Miss.	152	136	114	90	74	65	55	56½	54	49	66	90
Beechwood, Miss.	152	136	114	90	74	64	55	56½	54	49	66	88
Vicksburg, Miss.	118	98	78	61	50	44	44	44	44	44	50	61

¹Governed by the Southern Classification.

²Per barrel.

It will be recalled that at Vicksburg is felt not only the actual competition of the Mississippi River but also that of the rail-and-water rates, which are made in conjunction with the ocean steamship lines serving the ports of Mobile and New Orleans.

(b) *From Interior New England Points*

Although the greatest part of New England Territory is given the flat Boston or Providence rates, there are still many points which are adjusted arbitrarily with relation to the rates currently in effect from Boston or Providence. In Table 42 are indicated some of these points and the basis that is to be applied in constructing through rates therefrom.

TABLE 42

BASES FOR RATES FROM INTERIOR NEW ENGLAND POINTS TO
POINTS IN SOUTHEASTERN TERRITORY

TO POINTS IN SOUTH- EASTERN TERRITORY FROM	RATE BASIS APPLICABLE
Addison Jet., N. Y.	Boston rates plus the following differentials: Classes. 1 2 3 4 5 6 A B C D E H F Differentials. . 11 6 8 7 7 5 5 5 5 5 7 7 10
Alburgh, Vt.	Boston rates plus the following differentials: Classes. 1 2 3 4 5 6 A B C D E H F Differentials. . 6 5 4 3 3 2 2 2 2 2 3 3 4
Angeline, Que.	Boston rates plus the following differentials: Classes. 1 2 3 4 5 6 A B C D E H F Differentials. . 16 14 11 9 7 5 5 5 5 5 7 9 10
Ansonia, Conn.	Apply Boston class and commodity rates
Augusta, Me.	On paper add to Boston rates, C. L., 3½; L. C. L., 5½
Ausable Forks, N. Y.	On paper apply Boston rates; on classes and other commodities apply same rates as from Addison Jet., N. Y.
Ballston, N. Y.	Rates on cotton piece goods (rated at fourth class in Southern Classification) are 1 cent per 100 pounds higher than Boston rates; on classes and other commodities Boston rates apply
Basin Mills, Me.	On paper add to Boston rates, C. L., 7½; L. C. L., 10½
Beldens, Vt.	On marble and granite Boston rates apply; on other traffic same rates apply as from Leicester Jet., Vt.

TABLE 42—Continued

BASES FOR RATES FROM INTERIOR NEW ENGLAND POINTS TO
POINTS IN SOUTHEASTERN TERRITORY

TO POINTS IN SOUTH- EASTERN TERRITORY FROM	RATE BASIS APPLICABLE
Bellows Falls, Vt.	Boston rates plus the following differentials: Classes. 1 2 3 4 5 6 A B C D E H F Differentials. . 11 9 6 1 2½ 2 2 2 2 2 2½ 1 4
Center Rutland, Vt.	On marble and granite Boston rates apply; on classes and other commodities same rates apply as from Bellows Falls, Vt.
Brunswick, Me.	Boston rates plus the following differentials: Classes. 1 2 3 4 5 6 A B C D E H F Differentials. . 6 5 4 3 3 2 2 2 2 2 3 3 4
Chisholms Mills, Me.	On paper add to Boston rates, C. L., 4½; L. C. L., 6½
Fort Ethan Allen, Vt. ...	On live stock, C. L., 1 cent per 100 lbs., min. \$5 per ear; other freight, C. L., 1 cent per 100 lbs., min. \$3 per ear; L. C. L., 5 cents per 100 lbs. over rates from Essex Jet., Vt.
Greenfield, N. Y.	Boston rates plus the following differentials: Classes. 1 2 3 4 5 6 A B C D E H F Differentials. . 10 8 5 5 2 0 0 0 0 0 2 5 0
Greenwich, N. Y.	On paper Boston rates apply; no basis for rates in effect on classes and other commodities
Lake Placid, N. Y.	Add to rates shown from Addison Jet., N. Y., \$10 per ear, min. wt. 30,000 lbs.; on L. C. L. traffic add the following differentials: Classes. 1 2 3 4 5 6 A B C D E H F Differentials. 12 11 10 8 7 6 6 6 6 6 7 8 12
Joybridge, Me.	On paper add to Boston rates, L. C. L., 6½; C. L., 4½; no basis for other rates
Leicester Jet., Vt.	Boston rates plus the following differentials: Classes. 1 2 3 4 5 6 A B C D E H F Differentials. . 12 11 8 7 7 5 5 5 5 5 7 7 10
Madison, Me.	On paper add to Boston rates, C. L., 5½; L. C. L., 14½
Mechanic Falls, Me.	On paper add to Boston rates, C. L., 5½; L. C. L., 11½
Pejepscot, Me.	On paper add to Boston rates, C. L., 3½; L. C. L., 5½
Ray Brook, N. Y.	Add to rates shown to Addison Jet., N. Y., \$5 per ear, min. wt. 30,000 lbs.; on L. C. L. traffic add the following differentials: Classes. 1 2 3 4 5 6 A B C D E H F Differentials 12 11 10 8 7 6 6 6 6 6 7 8 12
Riverside, N. Y.	Boston rates plus the following differentials: Classes. 1 2 3 4 5 6 A B C D E H F Differentials. . 10 8 5 5 2 0 0 0 0 0 2 5 0
Shawmut, Me.	On paper add to Boston rates, C. L., 5½; no basis for rates in effect on classes and other commodities

It will be observed from Table 42 that not a few of the points have a special adjustment affecting only

shipments of paper and have no basis for the construction of rates on classes or other commodities. The manufacture of paper is one of the chief industries of the states of Vermont, New Hampshire, and Maine; while the ordinary run of traffic would feel no hardship in the absence of through rates, it is necessary in any given competitive line of trade such as this relatively to adjust the rates of the respective mills in order to enable them to compete with one another for trade in competitive districts.

As before stated, this list shows only a few points and is given as typical of the information contained in the tariff. Again, the adjustments indicated in this instance are applied to Southeastern Territory and when traffic is destined to points in Mississippi Valley Territory, Carolina Territory, Kentucky-Tennessee Territory, the basis given may vary for each adjustment. This information cannot be stated in a general way and therefore it is necessary to refer to the publications of the carriers for the basis to apply from such inland points.

(c) *From Philadelphia, Pa.*

To all destinations in Southeastern Territory east of Chattanooga, Birmingham, Selma, and Montgomery, the rates from Philadelphia are made the same as the New York rates to the same points.

To Chattanooga, Birmingham, Montgomery, Selma, and points west thereof, the rates are made the following differentials less than the New York rates:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials....	6	6	2	2	2	2	2	2	2	2	2	2	4

There is one exception to the rule just stated, viz., the class rates to Anniston, Ala., are the minimum

corresponding rates to the Gadsden group, the Birmingham group, Montgomery, and Selma. Thus, the rates from Philadelphia to Chattanooga would be constructed by deducting the differentials indicated from the New York rates which are shown in Table 36, the results being the current Philadelphia-Chattanooga rates.

(d) *From Baltimore, Md.*

The basis applied from Baltimore differs from that from Philadelphia inasmuch as Baltimore is conceded differentials under the New York rates to all territory, and rightly so, considering its distance from the Virginia Ports and Gateways.¹

The current rates to Chattanooga, Birmingham, Montgomery, Selma, and points west thereof are made the following differentials less than the New York rates:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials....	8	8	3	3	3	3	3	3	3	3	3	3	6

To other destinations in Southeastern Territory the rates are made the following differentials less than the New York rates:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials....	6	6	5	5	4	3	3	2	3	3	3	3	6

(e) *From Suburban Points*

Certain receiving stations in the suburbs or in the lighterage limits of the port cities are accorded the rates assigned to the port city. The list of such points varies, however, according to the line that initiates the traffic. The publications of the interested carriers should be consulted for this information. It may be

¹See Traffic Glossary.

stated, however, that in so far as New York is concerned, the flat New York rate is applied from all points within the lighterage limits of New York harbor.

(f) *From Interior Eastern Territory*

Interior eastern territory, or Atlantic Seaboard Territory, as it is sometimes called, is defined, for the adjustment of rates to this territory, as that portion of the country lying east of a line drawn from Toronto, Ontario, through Lewiston, Niagara Falls, and Buffalo, N. Y., and Erie, Pa., to Oil City, Pa.; thence via the Allegheny Valley Railway to Pittsburgh, Pa.; and thence via the Ohio River to Ironton, Ohio, but not including points in Buffalo-Pittsburgh Territory or the Eastern Port Cities and their respective suburban receiving stations.

As a general rule, the all-rail rates from points in this territory are made by applying the Boston, New York, Philadelphia, or Baltimore all-rail rates, as the case may be, where the proportions demanded by the eastern lines to the Potomac and the Virginia gateways² are the same, respectively, as those from the port cities named to the same gateways. From points taking higher proportions than those from the ports, the through rates are as much higher than those from the ports as is represented by the difference in the proportion. To nearly all Alabama destinations, the combinations on the Ohio River Crossings are not exceeded.

To illustrate this adjustment, assume the points of origin to be Reading and Harrisburg, Pa., and the destination Bennettsville, S. C. The present through rates from Reading and Harrisburg to Bennettsville, via all rail, are as follows:

²See Traffic Glossary.

Classes	1	2	3	4	5	6	A	B	C	D	E	H	F
Through rates from Reading to Ben- nettville	110	97	83	68	56	44	36	41½	41	36	57½	68	76
Through rates from Harrisburg to Ben- nettville	104	91	77	64	52	40	32	37½	37	32	53½	64	68

The local all-rail rates from Reading to Norfolk are as follows:

Classes	1	2	3	4	5	6	A	B	C	D	E	H	F
Rates	52	45	35½	24	20	16	16	24	16	16	20	24	32

These rates plus the local rates from Norfolk to Bennettsville produce in no case a lower, and generally a very much higher, rate than that obtained under the relative adjustment indicated above. Where all-rail lines operate special commodity rates from Reading to Norfolk lower than the all-rail class rates referred to, such lower special commodity rates, when added to the local rates from Norfolk to Bennettsville, produce, in some cases, lower figures than the through rates referred to above.

The local all-rail rates from Harrisburg to Norfolk are as follows:

Classes	1	2	3	4	5	6
Rates	52	45	35½	24	20	16

These rates are governed by the Official Classification, while the rates from Norfolk to Bennettsville are governed by the Southern Classification. It is therefore impracticable to combine the local rates to Norfolk with the local rates south on account of the difference existing in the two classifications in the ratings on various commodities. The rule that has been adopted in Official Classification Territory, however, for the assimilation of the Southern Classification is as follows:

Classes A, B, C, and D in the Southern Classification are equivalent to sixth class in the Official Classification; Class E is equivalent to fifth class; Class H is equivalent to fourth class; and Class F is equivalent to twice sixth class per barrel.

On some commodities the actual combinations would, no doubt, make less than the through rates constructed on the relative adjustment referred to above, although the general lines of rates on actual combinations would undoubtedly be higher than the through all-rail rates constructed on the aforesaid relative adjustment. It will be observed, in the case of Reading and Harrisburg, that these are the Philadelphia and Baltimore all-rail rates.

To nearly all Alabama destinations, the combination on the Ohio River Crossings is not exceeded. The water-and-rail rates to destinations west of the Alabama Great Southern Railroad, including Chattanooga, are made the same as the corresponding all-rail rates. To points on and east of the Alabama Great Southern Railroad, the rates are made the following differentials under the corresponding all-rail rates:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials....	4	3	2	2	1	1	1	1	1	1	1	2	2

There are certain exceptions to the literal workings of the all-rail basis given. Rochester, N. Y., and points taking the same proportions to the Ohio and the Virginia gateways are arbitrarily given the same rates as New York rate points; Palmer and Spencer, Mass., are given the same rates as Boston rate points; and certain stations on the Northern Central Railway are given the same rates as Baltimore rate points. Other rates are made to be not less than those from Pittsburgh. In point of number, however, these excepted points are

not many as compared with those which have rates made under the general basis.

(g) *From Buffalo-Pittsburgh Territory*

A line is drawn from Toronto, Ontario, through Lewiston, Niagara Falls, and Buffalo, N. Y., and Erie, Pa., to Oil City, Pa.; thence via the line of the Allegheny Valley Railway to Pittsburgh; and thence down the Ohio River, through Wheeling, Parkersburg, and Huntington, W. Va., Ironton and Portsmouth, Ohio. The territory includes points on and adjacent to this line which take the same rates to the Ohio River Crossings and to the eastern Virginia and Potomac gateways as do the cities named. To points in the states of Alabama, Florida, Georgia, Mississippi, and Tennessee, the rates are adjusted on the following basis:

Numbered classes make on the Ohio River Crossings, the North Atlantic Ports, the South Atlantic Ports.³ Hagerstown, Md., Strasburg Junction, Va., Shenandoah Junction, W. Va., Potomac Yards, D. C., or the Virginia Cities, using the established rates south of these gateways. The rates so made must not exceed the all-rail rates from New York by more than the following differentials:

Classes.....	1	2	3	4	5	6
Differentials.....	15	13	11	9	7	6

³The South Atlantic Port combination is applied only in connection with the following basing rates governed by the Southern Classification, applicable from Buffalo, N. Y., Erie and Pittsburgh, Pa., Wheeling, W. Va., and points taking the same rates to Charleston, S. C., and Savannah and Brunswick, Ga.:

Classes.....	1	2	3	4	5	6
Rates.....	70	60	50	40	30	25
Wharfage and transfer.....	8	8	8	5	5	5
Through rates.....	78	68	58	45	35	30

The all-rail rates to Charleston, Savannah, and Brunswick proper are to be observed as minima to all points of destination.

The lettered classes are made in a like manner except that the differentials over New York are disregarded and the South Atlantic Port combinations are not authorized.

On commodities not covered by published tariffs, through rates are made not to exceed the combination of established rates to the Ohio River Crossings and Virginia Cities plus the full rates south of such crossings and cities. The rates so constructed are governed by the Southern Classification except that to the territory of the Associated Railways of Virginia and the Carolinas, the exceptions of the Associated Railways apply.⁴

On classified and commodity traffic, from points in Buffalo-Pittsburgh Territory to points in Florida on and south of the Jacksonville-Lake City-Live Oak Line, except to Jacksonville, Fla., and group, the rates are made on the Virginia Cities, the Ohio River Crossings, or the Jacksonville combination.

From Ashland, Ky., and Kenova, W. Va., the rates are made on the combination heretofore described, except that to points east of the Chattanooga-Athens-Augusta-Macon-Live Oak Line, Cincinnati rates are observed as maxima.

The rail-and-water rates from Buffalo-Pittsburgh Territory are made the same as the all-rail rates.

(h) From Potomac Gateways

The rates from Alexandria, Va., and Washington, D. C., are the same as the rail-and-water rates from Baltimore, not exceeding the actual combination on the Virginia Cities.

From Hagerstown, Md., Shenandoah Junction, W. Va., Strasburg, Va., Charlestown, W. Va., and Fredericks-

⁴See Map 5, Atlas of Traffic Maps.

burg, Va., the rates are the same as those currently in effect from Alexandria and Harrisonburg, Va. To points between Harrisonburg and Strasburg and points between Harrisonburg and Elkton, Va., including Elkton, the rates are the same as those from Strasburg.

(i) From Virginia Cities and Points Related Thereto

From the Virginia Cities to common and base points other than the coast points, the rates are made in relation to those from Baltimore. To some destinations the rates are made on fixed differentials under the Baltimore rail-and-water rates. In other cases, the rates are the same as those from that city. The hinging of one destination on another, however, results in making a very considerable difference between the Virginia Cities rates and the Baltimore rail-and-water rates.

In the sense that some of the rates from the Virginia Cities are measured by the corresponding rates from the South Atlantic Ports, there is a relationship between the two sections, but it is not defined, as in the case of the Virginia Cities v. Baltimore, and has not the effect of a mechanical change occurring from the Virginia Cities when a rate is changed from the South Atlantic Ports.

From Staunton, Waynesboro, Basic, Buena Vista, Buchanan, Lexington, Glasgow, Springwood, and Charlottesville, W. Va., the rates are made the following differentials higher than the rates from Richmond, Va.:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials....	8	6	5	4	3	3	3	3	3	3	4	4	6

From Hampton, Newport News, Old Point Comfort, Phoebus, and Suffolk, Va., to Chattanooga, Birmingham, Montgomery, and Selma, the rates are the same

TABLE 43
CLASS RATES FROM RICHMOND, VA., TO POINTS IN CAROLINA
TERRITORY

FROM RICHMOND, VA., TO	RATES IN CENTS PER 100 POUNDS EXCEPT AS NOTED													
	Classes ¹													
	1	2	3	4	5	6	A	B	C	D	E	H	F ²	
Henderson, N. C.	61	51	42	32	28	21	17	22	21	18	28	32	42	
Littleton, N. C. ³	61	51	42	32	28	21	17	22	21	17	28	31	42	
Weldon, N. C.	55	46	39	29	26	19	16	20	16	14	26	25	30	
Raleigh, N. C.														
Cary, N. C.														
Durham, N. C.														
Hester, N. C. ³	61	51	42	32	28	21	17	22	21	18	28	32	42	
Oxford, N. C.														
Apex, N. C.														
Carpenter, N. C. ³														
Varina, N. C.	68	58	48	38	33	25	18	24	23	20	33	38	46	
Holly Springs, N. C. ³	75	65	54	42	37	29	20	26	25	22	37	41	50	
Washington, N. C.	45	35	30	25	20	15	15	15	13	10	20	20	22	
Plymouth, N. C.	45	35	30	25	20	15	15	15	12	10	20	20	22	
Pinetown, N. C. ³	65	54	46	38	31	24	24	24	22	20	31	33	37	
Henrietta, N. C.	84	74	64	52	43	37	24	32	28	25	45	53	55	
Wilson, N. C.	61	51	42	32	28	21	17	22	21	18	28	32	42	
Simpson, N. C. ³	61	51	42	32	28	21	17	22	20	17	28	25	39	
Greenville, N. C.														
Farmville, N. C.														
Arthur, N. C. ³	61	51	42	32	28	21	17	22	21	17	28	32	42	
Stantonville, N. C. ³	61	51	42	32	28	21	17	22	21	18	28	32	42	
New Bern, N. C.	46	36	30	26	21	17	17	16½	15	11	21	22	24	
Vanceboro, N. C. ³	61	51	42	32	28	21	19	22	21	17	28	32	35	
Kinston, N. C.	61	51	42	32	28	21	17	22	21	18	28	32	42	
Tuscaroro, N. C. ³	61	51	42	32	28	21	17	22	21	17	28	32	42	
Goldsboro, N. C.														
LaGrange, N. C. ³	61	51	42	32	28	21	17	22	21	18	28	32	42	
Selma, N. C.														
Allendale, S. C.	85	79	64	52	43	37	24	33	28	27	44	47	50	
Robbins, S. C.														
Columbia, S. C.	76	64	59	50	41	34	18	27	24	20	36	48	44	
Denmark, S. C.	85	75	62	50	41	34	24	29	28	24	44	47	50	
Greenwood, S. C.	84	79	64	52	43	40	24	34	28	27	45	55	55	
Newberry, S. C.	84	79	64	52	43	40	24	34	28	27	43	55	54	
Prosperity, S. C.	84	79	64	52	43	40	24	34	28	27	41	55	54	
Hilton, S. C. ³	84	79	64	52	43	40	24	34	28	27	45	55	54	
Cross Hill, S. C. ³														
Clinton, S. C.	84	79	64	52	43	40	24	34	28	27	45	55	55	
Gary, S. C. ³														
Forest City, N. C.	84	74	64	52	43	37	24	32	28	25	45	53	55	
Chesnee, S. C. ³	84	79	64	52	43	40	24	34	28	27	45	55	55	
Spartanburg, S. C.														
Chester, S. C.	80	70	60	50	40	32	22	28	28	25	41	47	50	
Camden, S. C.	82	72	62	50	40	32	23	29	28	23	43	47	50	
Blaney, S. C. ³	85	75	62	50	41	34	24	29	28	24	44	47	50	
Charleston, S. C.	65	55	48	40	30	25	20	20	17	17	30	30	30	

¹Governed by the Southern Classification.²Per barrel.³Intermediate points.

as those currently in effect from Norfolk, Va. From stations on the Southern Railway between Lynchburg and Charlottesville and stations on the Norfolk and Western Railway between Roanoke and Basic, the rates are made the following differentials over the Virginia Cities rates:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials....	8	6	5	4	3	3	3	3	3	3	4	4	6

The rates so made are not to exceed the rates from Hagerstown, Md.

In Table 43 are given some representative class rates from Richmond, Va.

(j) From Carolina Territory

To common and basing points, as well as to intermediate points, in this territory, the general basis is the lowest available combination, except that, where applicable, mileage scales are not exceeded, nor are the rates greater than those from the Virginia Cities in any instance.

2. APPLICATION OF THE BASES

Illustrative of the adjustments set forth, the following method of constructing the rates from the Eastern Cities to Bennettsville, S. C., is typical of the general procedure. The through rates from New York City via all water to Norfolk, Va., and via rail from Norfolk to Bennettsville are constructed by adding to the rates from Norfolk to Bennettsville the following line of proportional rates from New York to Norfolk:

180 FREIGHT RATES: SOUTHERN TERRITORY

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Rates from Norfolk to Bennettsville....	80	70	60	50	40	32	22	28	25	22	41	47	50
Rates from New York to Norfolk.....	18	17	14	10	10	7	9	8½	11	9	10½	13	16
Through rates from New York to Ben- nettsville.....	98	87	74	60	50	39	31	36½	36	31	51½	60	66

Bennettsville being located in a territory to which Philadelphia is not conceded differentials, the rates from Philadelphia to Bennettsville are made the same as the New York rates to that point.

The through rates from Baltimore to Bennettsville are constructed by deducting the following differentials from the New York rates:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Rates from New York to Bennettsville..	98	87	74	60	50	39	31	36½	36	31	51½	60	66
Differentials	6	6	6	4	4	4	4	4	4	4	4	4	8
Through rates from Baltimore to Ben- nettsville.....	92	81	68	56	46	35	27	32½	32	27	47½	56	58

In Carolina Territory, the rates from Boston to Bennettsville are made the following differentials over the New York rates:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Rates from New York to Bennettsville..	98	87	74	60	50	39	31	36½	36	31	51½	60	60
Differentials	5	5	5	5	5	5	5	5	5	5	5	5	7
Through rates from Boston to Ben- nettsville	103	92	79	65	55	44	36	41½	41	36	56½	65	67

These rates, as will be observed from the local rates of the water carriers from the various ports to Norfolk, shown in Table 24, are less in all instances than the combinations of local rates on the ports.

3. ALL-RAIL RATES FROM THE EASTERN PORT CITIES

The rates via the all-rail routes from the Eastern Port Cities, viz., New York, Philadelphia, Baltimore, Boston, etc., are made on the following basis:

To Chattanooga, Tenn., and points west of the Alabama Great Southern Railroad, the same rates as those in effect via the water-and-rail routes are applied.

To points on and east of the Alabama Great Southern Railroad, except Chattanooga, Tenn., via all-rail routes, the rates are made the following differentials higher than the corresponding water-and-rail rates:

Classes	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials . .	12	10	9	8	6	5	5	5	5	5	6	8	10

4. COMMODITY RATES

In Table 44 are given some commodity rates applying upon articles which have a general movement from the adjoining territories to points in the southeast.

In so far as practicable the adjustments employed in establishing class rates are adhered to in the construction of commodity rates; that is, rates to points which are differentially adjusted with relation to base points, such as Atlanta, Augusta, or Montgomery, are made by adding the corresponding class differential to the rates to the base point to obtain the through rate. Thus, should the difference, or differential, between two points on fifth class be 2 cents per 100 pounds and a commodity rate was established to the base point, which would, under ordinary circumstances, take fifth class, the fifth-class differential would be added to the rate established to the base point in order to make the through rate to the point basing thereon.

TABLE 44

ALL-RAIL COMMODITY RATES FROM BOSTON, MASS., TO POINTS
IN SOUTHEASTERN TERRITORY

COMMODITIES													
FROM BOSTON, MASS., TO		Agricultural Implements, C. L.	Bagging, rated Class A, any quantity	Cement (Natural or Portland), C. L.	Food Preparations, Cereal, C. L.	Oranges, Lemons, Limes, and Grape Fruit, C. L.	Machinery, C. L.	Paper (Printing), C. L.	Soap and Soap Powders, any quantity	Starch, C. L.	Sugar, C. L.	Sugar, L. C. L.	Wool, C. L.
Albany, Ga. ....	..	37	32	38	61	50	..	34	41	39	42	..	..
Americus, Ga. ....	..	37	32	38	61	..	..	34	41	39	42	..	..
Athens, Ga.	43	37	32	38	61	50	..	35	41	39	42	73	..
Atlanta, Ga.	43	37	32	38	61	50	46	35	41	39	42	73	..
Augusta, Ga.	40	25	32	38	56	50	..	33	36	33	33	..	..
Bainbridge, Ga. ....	..	..	27	38	61	..	..	34	41	39	42	..	..
Birmingham, Ala. ....	..	39	32	43	61	49	..	40	41	36	39	..	..
Cartersville, Ga.	43	39	32	38	61	50	..	35	41	39	42	..	..
Columbus, Ga.	43	37	32	38	61	50	..	35	41	39	42	73	..
Chattanooga, Tenn. ....	..	34	27	33	55	50	..	30	36	30	33	..	..
Cordele, Ga. ....	..	..	32	38	61	50	..	34	41	39	42	..	..
Cordova, Ala. ....	..	..	..	44	..	50	..	46	48	44	47	..	..
Dawson, Ga. ....	..	..	32	38	61	50	..	35	41	39	42	..	..
Demopolis, Ala. ....	..	..	38	43	69	50	..	40	45	40	43	..	..
Eufaula, Ala. ....	..	37	32	38	61	50	..	35	41	39	42	..	..
Floral, Ala. ....	..	..	..	53	84	..	..	52	..	..	51	..	..
Fort Gaines, Ga. ....	..	..	32	43	61	..	..	40	..	39	42	..	..
Gadsden, Ala.	48	39	32	43	61	50	..	40	41	36	39	..	..
Gainesville, Ga.	48	42	32	43	66	50	..	40	41	44	47	..	..
Hawkinsville, Ga. ....	..	35	30	37	60	..	..	34	40	39	42	..	..
Huntsville, Ala. ....	..	..	27	38	57	49	..	35	..	30	33	..	..
Jasper, Ala. ....	..	..	..	41	..	..	..	46	48	44	47	..	..
Macon, Ga.	44	35	30	37	60	50	..	34	40	39	42	..	..
Mobile, Ala. ....	..	..	30½	..	..	..	..	..	..	..	..	..	..
Montgomery, Ala.	44	39	32	39	61	50	..	36	41	36	39	..	..
Opelika, Ala.	44	37	32	39	61	50	..	36	41	39	42	..	..
Pensacola, Fla. ....	..	..	..	..	..	..	..	..	..	..	..	..	..
Rome, Ga.	43	39	32	38	61	50	..	35	41	39	42	..	..
Savannah, Ga. ....	..	..	..	..	47	50²	..	..	..	..	..	..	..
Selma, Ala.	44	39	32	39	61	50	..	36	41	36	39	..	..
Tuscaloosa, Ala. ....	..	..	31	52	..	54	..	57	57	57	60	..	..
Valdosta, Ga. ....	..	..	32	38	61	..	..	34	41	39	42	..	..
Waycross, Ga.	39	..	..	..	61	..	..	34	41	..	..	..	..
Carrollton, Ga.	51	42	..	46	..	50	..	43	49	49	49	84	..

¹Governed by the Southern Classification.²L. C. L.

It is an undisputed fact that competition in articles that are given commodity rates is felt to a greater extent than in articles given class rates and this is practically the only reason for the establishment of commodity rates. The class rates under which the traffic would ordinarily be handled are too high to stimulate its movement and, as a result, the consumers purchase at the nearest market, where the most advantageous price and transportation costs can be secured. Sugar, for example, is a staple article, which is used in quantities in every household throughout the land. In addition to our own local supply produced in the southern states, cane sugar is imported in immense quantities from the West Indies, Central America, and South America, through the ports of New York and New Orleans. Immense warehouses are located at these ports, from which the sugar is distributed as the occasion demands. At Chicago, St. Louis, Cincinnati, and other inland cities large jobbing houses specialize in this commodity.

While it is no more than just that producing centers should preserve the advantage of their location and reap the benefits thereof, the fact that so much of Southern Territory is accessible by means of water routes has resulted in the eastern markets, such as New York, Philadelphia, and Boston, reaching some parts of this territory on more advantageous terms than can New Orleans or Mobile, although the latter points are located in the territory and the haul to all points is considerably less.

Thus, we find a local producing center competing for the trade supremacy of this district, in so far as this commodity is concerned, with an importer located at some distance from the territory. To confine the trade to these two competitors would be manifestly unfair in so

far as the jobbers of the Middle West are concerned and accordingly they are admitted to the territory on practically the same terms. The lines serving these outside markets well realize that the dealers they are serving are selling in competition with the home product and therefore make their rates as low as possible in order to enable such dealers to meet the price made on the local product. If the dealers in the South could buy the product more advantageously in the South, it necessarily follows that not a pound of sugar would move from the northern markets.

5. DIFFERENTIAL RATES VIA GULF ROUTES

To all destinations on and east of a line drawn from Chattanooga, Tenn., through Birmingham, Calera, Selma, and Montgomery, Ala., to Pensacola, Fla., the rates are made the following differentials less than the standard water-and-rail rates:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials....	5	4	3	2	2	2	2	2	2	2	2	2	4

6. FOURTH SECTION ORDERS

As the adjustments from this territory are largely premised upon the rates established from New York, in such cases where an order of the Interstate Commerce Commission has been entered as to the rates from New York (see Appendix B), the order automatically affects the rates from such points as base thereon.

CHAPTER XII

SOUTHEASTERN TERRITORY—Continued

1. WESTERN RATE ADJUSTMENTS

A comparison of the adjustments discussed in this chapter with those employed from the Eastern Port Cities affords an effective illustration of the competition of producing centers. The manufacturers and jobbers located in the Middle West are in competition for the trade in Southeastern Territory with the merchants of Boston, New York, Philadelphia, and Baltimore. As these latter cities have the advantage of location, having access to the cheaper all-water or rail-and-water routes, unless the advantage was minimized in some way, western manufacturers and jobbers would be handicapped to an extent that they could not overcome.

(a) Ohio River Adjustment

As Louisville, Ky., is the initiative point in fixing the rates from the other Ohio River Crossings and from the Mississippi River Crossings, on which are hinged the rates from the territory lying north, northwest, and west thereof, the present discussion will be confined to the rates from that point.

Baltimore v. Louisville.—Under the system of constructive distances, as before stated, the haul of the

rail-and-water routes from Baltimore via the South Atlantic Ports to Atlanta is approximately the same as the rail distance from Louisville to Atlanta. On this principle, it inevitably came about that the competitive rates from Baltimore via rail-and-water routes to Atlanta were made the same as the rates from Louisville to Atlanta, and vice versa. Atlanta's inbound adjustment from the East and from the West is today fixed under this principle.

This adjustment has included the numbered classes and most of the commodities. Practically all of the commodities of the lower classes are essentially western products, that is, products which, although not necessarily peculiar to the central West, are produced in far greater volume there than in the East, and which find the lines of least resistance in reaching the southeast over western lines.

In Table 45 are given the class rates applicable from Louisville to the more important base points in Southeastern Territory.

In this adjustment, the possibility of the middle western merchant taking advantage of the ocean rates must be taken into account. For years, Pittsburgh, Chicago, and related points have shipped via eastern ports to southeastern points. An extreme illustration of this competition is found in the rail rates from Cincinnati to Augusta, Ga., which are influenced to some extent by the ability of the Cincinnati merchants to ship to Baltimore by rail, thence by ocean to Savannah, and thence by river to Augusta. Partly as a result of this and partly as a result of the influence of the all-water rates to Augusta from the Eastern Port Cities, the rail rates from Cincinnati and other western points to Atlanta and Augusta are relatively adjusted. The rates to Augusta are on a slightly higher basis than those to

TABLE 45
CLASS RATES FROM LOUISVILLE, KY., TO SOUTHERN COMMON
POINTS

FROM LOUISVILLE, KY., To	RATES IN CENTS PER 100 POUNDS EXCEPT AS NOTED													
	Classes ¹													
	1	2	3	4	5	6	A	B	C	D	E	H	F ²	
Albany, Ga.	123	107	96	78	65	52	37	42	33	29	60	60	58	
Anniston, Ala.	98	87	78	63	52	41	28	36	28	24	48	45	48	
Atlanta, Ga.	98	87	78	63	52	41	28	36	28	24	48	48	48	
Augusta, Ga.	103	90	81	65	54	43	28	38	30	26	50	50	52	
Bainbridge, Ga.	132	112	98	82	68	55	40	44	33	29	61	69	57	
Birmingham, Ala.	79	69	58	47	40	30	28	34	26	22	39	39	44	
Bremen, Ga.	128	113	102	84	70	55	42	48	35½	30½	66	69	63	
Brunswick, Ga.	95	80	75	70	58	46	35	38	29	25	40	40	50	
Calera, Ala.	100	80	60	57	53	47	43	51	36	25	52	52	66	
Chattanooga, Tenn.	70	60	53	44	38	29	20	29	25	21	34	39	42	
Columbia, Ala.	132	115	98	83	70	55	40	44	33	29	65	66	57	
Columbus, Ga.	103	90	81	65	54	43	28	38	30	26	50	50	52	
Cordova, Ala.	79	69	58	47	40	30	28	34	26	22	39	39	44	
Cuthbert, Ga.	128	112	100	82	68	55	40	47	36	31	63	64	64	
Dalton, Ga.	97	84	75	63	52	41	28	36	28	24	48	48	48	
Dothan, Ala.	136	116	102	86	71	58	43	47	36	31	65	73	63	
Eufaula, Ala.	103	90	81	65	54	43	28	38	30	26	50	50	52	
Fitzgerald, Ga.	143	124	110	90	74	59	44	45	35	31	70	70	62	
Florala, Ala.	115	92	78	66	62	59	60	64	44	31	61	61	80	
Florence, Ala.	79	69	58	47	40	30	23	29	25	21	34	33	42	
Ft. Gaines, Ga.	115	101	91	75	63	51	36	46	34	30	60	60	60	
Ft. Valley, Ga.	128	112	100	83	68	55	40	47	36	31	64	64	64	
Griffin, Ga.	125	111	100	83	68	53	40	48	33	29	64	68	58	
Hawkinsville, Ga.	123	107	96	78	65	52	37	42	33	29	60	60	58	
LaGrange, Ga.	134	119	107	88	72	56	42	51	37½	33	68	73	67	
Jacksonville, Fla.	95	80	75	70	58	46	35	38	29	25	40	40	50	
Macon, Ga.	103	90	81	65	54	43	28	38	30	26	50	50	52	
Maplesville, Ala.	111	100	86	78	67	49	43	47	33½	32	61	56	66	
Marietta, Ga.	106	87	78	63	58	50	38	46	35	27	54	54	62	
Milledgeville, Ga.	110	96	87	70	58	46	30	40	32	28	54	54	56	
Montgomery, Ala.	98	87	78	62	50	41	28	34	26	22	44	39	44	
Moultrie, Ga.	143	124	110	90	74	59	44	45	35	31	70	70	62	
Mulga, Ala.	97	84	70	57	48	36	34	40	32	27	47	49	56	
Newnan, Ga.	125	111	100	83	68	53	40	48	36	31½	64	68	64½	
Port Royal, S. C.	95	80	75	70	58	46	35	38	29	25	40	40	50	
Prattville, Ala.	110	97	86	70	58	49	33	39	31	27	49	44	54	
River Jet., Fla.	120	96	72	69	65	62	39	55	37	31	64	64	66	
Roanoke, Ala.	125	111	100	83	68	53	39	48	33	29	64	68	68	
Rome, Ga.	98	87	78	63	52	41	28	36	28	24	48	48	48	
Savannah, Ga.	95	80	75	70	58	46	35	38	29	25	40	40	50	
Tuscaloosa, Ala.	108	94	79	64	55	42	31	40	31	25	52	39	54	
Waycross, Ga.	135	116	107	90	74	59	44	45	35	31	63	69	62	
West Point, Ga.	131	116	105	85	67	52	37	47	34	29½	68	70	60½	
Wetumpka, Ala.	108	97	88	67	55	46	33	39	31	27	49	44	54	
Wilmington, N. C.	82	68	53	41	32	25	23	27	23	21	26	35	46	

¹Governed by the Southern Classification.²Per barrel.

Atlanta, although the route to Augusta through Atlanta is 170 miles longer than to Atlanta.

That this low combination of rail-and-water rates from the West to Augusta is possible is due to the fact that the rail lines from Cincinnati and other western points to eastern ports are able to make relatively low rates as measured by distance because of the denseness of the traffic and the influence of the lake-and-canal rates to all Trunk Line ports. Here we have the influence of the Great Lakes shown as far south as Augusta.

As is well known, the rates from all points north of the Ohio River and east of the Mississippi River to the ports of Boston, New York, Philadelphia, Baltimore, Norfolk, and Newport News are based on the rates from Chicago to New York, which rates are controlled by the Great Lakes and the Erie Canal. The ports south of Norfolk, however, do an export business, Mobile and New Orleans being in active competition with the North Atlantic Ports for the export grain business of the West. As they have a longer ocean voyage to the European ports, it is necessary for the roads serving them to make rates even below the rates to the North Atlantic Ports. Favored by down grade and no mountain barriers, they have been able to do this. Mr. James J. Hill expressed this advantage of the Gulf ports very graphically when he said on one occasion: "You can kick a barrel of flour at Minneapolis and it will roll to New Orleans."

The basis under which the rates in Table 45 are established in the first instance is indicated in the bases for rates given in Table 46. This basis varies, in some few instances, from the current rates, which may be attributed to the same causes as affect the Eastern Cities adjustment.

TABLE 46

BASES FOR CLASS RATES FROM LOUISVILLE, KY., TO POINTS IN
SOUTHEASTERN TERRITORY

FROM LOUISVILLE, KY., TO THE FOLLOWING BASE POINTS	DIFFERENTIALS IN CENTS PER 100 POUNDS EXCEPT AS NOTED															REMARKS
	Classes ¹															
	1	2	3	4	5	6	A	B	C	D	E	H	F ²			
Adel, Ga.	3	3	2	2	2	2	2	4	2	2	4	4	4			Over Valdosta, Ga., rates
Albany, Ga.	20	17	15	13	11	9	9	4	3	3	10	10	6			Over Macon, Ga., rates
Andalusia, Ala.																See Note 1
Arlington, Ga.	42	38	34	31	25	19	19	14	8	7	24	28	14			Over Eufaula, Ala., rates for beyond; see Note 2
Bainbridge, Ga.	34	25	20	20	18	14	12	10	7	7	17	30	13			Over Montgomery, Ala., rates
Birmingham, Ala.																See Note 3
Bremen, Ga.									12	5	5					Over Atlanta, Ga., rates; see Note 4
Calera, Ala.																See Note 1
Carrollton, Ga.	12	11	10	9	9	8	8	8	4	4	12	15	8			Over Atlanta, Ga., rates
Chattanooga, Tenn.																See Note 5
Columbia, Ala.	29	25	17	18	16	12	12	6	3	3	15	16	5			Over Eufaula, Ala., rates
Cordova, Ala.																See Note 6
Cuthbert, Ga.	25	22	19	17	14	12	12	9	6	5	13	14	12			Over Eufaula, Ala., rates for beyond
Dalton, Ga.																See Note 7
Demopolis, Ala.	5	4	4	3	3	2	2	2	1	1	2	2	2			Over Selma, Ala., rates
Dothan, Ala.	4	4	4	4	3	3	3	3	3	2	4	4	6			Over Bainbridge, Ga., rates
Elberton, Ga.	14	13	11	10	8	7	4	5	4	4	6	6	8			Over Augusta, Ga., rates; see Note 8
Fitzgerald, Ga.	20	17	14	12	9	7	7	3	2	2	10	10	4			Over Albany, Ga., rates
Florence, Ala.																See Note 9
Fort Gaines, Ga.	12	11	10	10	9	8	8	8	4	4	10	10	8			Over Eufaula, Ala., rates
Fort Valley, Ga.	25	22	19	18	14	12	12	9	6	5	14	14	12			Over Macon, Ga., rates; see Note 2
Georgetown, S. C.	15	14	12	10	8	7	3	6	5	4	6	6	8			Over Charleston, S. C., rates; see Note 10
Griffin, Ga.	22	21	19	18	14	10	12	10	3	3	14	18	6			Over Macon, Ga., rates; see Note 2
Macon, Ga.	5	3	3	2	2	2	0	2	2	2	2	2	4			Over Atlanta, Ga., rates
Maplesville, Ala.																See Note 11
Marietta, Ga.																See Note 12
Milledgeville, Ga.								2	2	2			4			See Note 13
Montgomery, Ala.																See Note 14
Moultrie, Ga.																See Note 15
Mulga, Ala.	18	15	12	10	8	6	6	6	6	5	8	10	12			Over Bessemer, Ala., rates; see Note 2
Newnan, Ga.																See Note 16
Piedmont, Ala.									5	5			5			Over Anniston, Ala., rates
Prattville, Ala.	12	10	8	8	8	8	5	5	5	5	5	5	10			Over Montgomery, Ala., rates
River Jet., Fla.																See Note 17
Roanoke, Ala.	22	21	19	18	14	10	11	10	3	3	14	18	6			Over Opelika, Ala., rates; see Note 2
Silver Creek, Ga.																See Note 18
South Atlantic Ports																See Note 19
Tuscaloosa, Ala.																See Note 20
Union Springs, Ala.	33	26	21	20	18	14	13	9	6	5	18	13	11			Over Eufaula, Ala., rates; see Note 21
Waycross, Ga.																See Note 22
West Point, Ga.																See Note 23
Wetumpka, Ala.	10	10	10	5	5	5	5	5	5	5	5	5	10			Over Montgomery, Ala., rates

¹Governed by the Southern Classification.²Per barrel.

NOTE 1.—From Louisville and Cincinnati the rates are not made higher than the lowest combination and not higher than the local rates of the Louisville & Nashville Railroad, observing the Montgomery differentials as between Louisville and Cincinnati interchangeably, the totals thus made being not less than the rates to Montgomery. The rates on Classes A and B to Andalusia and on B and D to Florida are now at a variance with this basis and are subject to revision.

NOTE 2.—The lowest combination is observed as maximum.

NOTE 3.—The rates to Birmingham are made the same as those from Memphis in line with the Chattanooga rates as the latter existed prior to September 1, 1888, but not higher than the Montgomery rates. The rates from Louisville are made 4 cents per 100 pounds higher than the rates from Memphis.

NOTE 4.—On Classes B, C, D, and F the rates are 12 cents, 5 cents, 5 cents, and 10 cents, respectively, higher than the Atlanta rates. The rates on other classes are made on the lowest combination.

NOTE 5.—The rates originally were made the same per mile as those to Atlanta, except that on Classes 4, 5, 6, and H the rates were not higher than those to Birmingham. An order by the Interstate Commerce Commission to reduce the numbered class rates to the extent of 6 cents, 5 cents, 4 cents, 3 cents, 2 cents, and 1 cent on the respective classes became effective July 15, 1910.

NOTE 6.—The rates are made the Birmingham differentials higher than the Memphis rates, but are not in excess of the lowest combination. The Birmingham rates are observed as maximum.

NOTE 7.—The rates are made the same as those to Atlanta, but do not exceed the Chattanooga combination.

NOTE 8.—The rates so arrived at are not higher than the Virginia Cities combination, applying the Carolina base rates to the Virginia Cities.

NOTE 9.—The initiative point here is Memphis, the rates from which, while primarily the local rates of the Southern Railway, cover also the competitive conditions found at destination. The rates from Nashville are made the same as those from Memphis, except that on Classes B, C, D, and F the rates are 2 cents per 100 pounds, or 4 cents per barrel, less than the Memphis rates. The rates from Louisville are made the following differentials higher than the rates from Nashville:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials....	35	27	25	21	18	13	8	0	0	0	12	5	0

On Classes B, C, D, and F the rates are made 4 cents per 100 pounds, or 8 cents per barrel, higher than the Memphis rates. The rates from St. Louis are made the following differentials higher than the rates from Louisville:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials....	23	19	17	12	10	8	7	8	7	5	8	10	14

NOTE 10.—The rates so made do not exceed the lowest combination, including combinations on Richmond, Va., using the Carolina base rates thereto.

NOTE 11.—From St. Louis and Cairo the rates are not higher than the lowest combination or higher than the rates of the Mobile & Ohio Railroad to Adams, Ala., or higher than the Montgomery differentials as between St. Louis and Cairo interchangeably. The rates from Louisville are made the same as the rates from Cairo.

NOTE 12.—The rates are made the same as the local rates of the Louisville & Nashville Railroad, but not in excess of combinations, or lower than the rates to Atlanta.

NOTE 13.—The rates are made 107 per cent of the rates to Macon, Ga., with maximum differentials above Macon of the following amounts on the classes indicated:

Classes.....	A	B	C	D	F
Differentials..	2	2	2	2	4

NOTE 14.—Generally speaking, the rates are made with respect to the competition via Mobile and the Alabama River, but also in fair relation with the rates from the East to Montgomery and again measured by a comparison of Montgomery with other southeastern common points.

NOTE 15.—The rates are made the same as those to Tifton, Ga., but are not to exceed the lowest combination.

NOTE 16.—On Classes C, D, and F and on specific commodities the rates are made by adding arbitrary figures (less than the locals) to the rates to Macon, Columbus, or Atlanta, as the case may be. All other rates are made on the basis of the lowest combination.

NOTE 17.—The rates are made the same as those to the other landings on the Apalachicola and Chattahoochie rivers, but not exceeding the local rates of the Louisville & Nashville Railroad or the lowest combinations and observing the Montgomery differentials as between Louisville and Cincinnati interchangeably.

NOTE 18.—On Classes C, D, and F the rates are the same as those to Rome, Ga. Other class and commodity rates are made on the basis of the lowest combination.

NOTE 19.—The rates on the numbered classes and on Classes B, E, and H are calculated by adding the rates from Chicago to New York to the steamer rates from that port to Charleston and from such aggregates are deducted the rates from Chicago to Louisville, the balance being the rates from Louisville. The rates on Classes C, D, and F are to figured permit the movement from the Ohio River as against the movement from competing markets in the north by rail to the North Atlantic Ports and thence by steamer. The rates on Class A are arbitrarily fixed. Most of the commodity rates are established under similar conditions.

NOTE 20.—From Cincinnati the rates on the numbered classes are fixed under the local bases of the Cincinnati, New Orleans & Texas Pacific Railway and the Alabama Great Southern Railroad. The rates on the lettered classes are made the same as the rates from St. Louis. From St. Louis the rates on the numbered classes are the same as the rates from Cincinnati. The rates on the lettered classes are the same as the rates from St. Louis to Montgomery. From Louisville, the rates are made the Montgomery differentials less than the Cincinnati rates; from Cairo and group the rates are made the following differentials less than the rates from St. Louis:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F	
Differentials.....	15	12	10	8	7	$\frac{3}{2}$	6	4	5	5	5	5	10	10

NOTE 21.—The rates so made do not exceed the lowest combination on Columbus, Eufaula, or Montgomery.

NOTE 22.—The rates are made on the Brunswick combination, but are not to exceed the rates to Valdosta, Ga.

NOTE 23.—On specific articles the rates are made fixed arbitraries higher than the Opelika, Ala., rates. Other rates are made on the lowest combination.

As a great number of points take the same basis for rate construction as do those indicated in Table 46, it has seemed desirable to arrange these points alphabetically in a separate table rather than to include them in Table 46. A list of these points and the base rates to apply in each case are indicated in Table 47.

TABLE 47

OTHER COMMON POINTS TAKING THE SAME BASES OF RATES AS
THOSE TO POINTS SHOWN IN TABLE 46

FROM LOUISVILLE, KY., TO	APPLY SAME RATES AS SHOWN IN TABLE 46 TO
Alabama City.Ala.	Anniston.Ala.
Americus.Ga.	Albany.Ga.
Anniston.Ala.	(See Note 1)
Asylum.Ga.	Milledgeville.Ga.
Athens."	Augusta."
Attalla.Ala.	Anniston.Ala.
Augusta.Ga.	Macon.Ga.
Avondale.Ala.	Birmingham.Ala.
Barclays."	Anniston."
Bessemer."	Birmingham."
Boyles."	""
Cartersville.Ga.	Rome.Ga.
Cedartown."	""
Chattahoochee."	Atlanta."
Columbiana.Ala.	(See Note 2)
Columbus.Ga.	Macon.Ga.
Cordele."	Americus."
Dawson."	Albany."
Decatur.Ala.	Florence.Ala.
Dublin.Ga.	Hawkinsville.Ga.
East Birmingham.Ala.	Birmingham.Ala.
East Point.Ga.	Atlanta.Ga.
Eufaula.Ala.	Macon."
Ft. McPherson.Ga.	Atlanta."
Gadsden.Ala.	Anniston.Ala.
Gate City."	Birmingham."

TABLE 47—Continued

OTHER COMMON POINTS TAKING THE SAME BASES OF RATES AS
THOSE TO POINTS SHOWN IN TABLE 46

FROM LOUISVILLE, KY., TO	APPLY SAME RATES AS SHOWN IN TABLE 46 TO
Girard Ala.	Columbus Ga.
Grasselli "	Birmingham Ala.
Hawkinsville Ga.	(See Note 3)
Helena "	(See Note 4)
Hapeville "	Atlanta Ga.
Huntsville Ala.	Florence Ala.
Irondale "	Birmingham "
Ironaton "	Anniston "
Jasper "	(See Note 5)
Jenifer "	Anniston Ala.
LaGrange Ga.	(See Note 6)
Lanette Ala.	West Point Ga.
Lockhart "	Floral Ala.
McRae Ga.	(See Note 7)
Montezuma "	(See Note 8)
North Birmingham Ala.	Birmingham Ala.
New Decatur "	Florence "
Opelika "	Columbus Ga.
Oxford "	Anniston Ala.
Oxinoor Ala.	Birmingham "
Ozark "	(See Note 9)
Paxton Fla.	Floral Ala.
Phoenix City Ala.	Columbus Ga.
Pratt City "	Birmingham Ala.
Quitman Ga.	(See Note 10)
Rome "	Atlanta Ga.
Ruffner Ala.	Birmingham Ala.
Samson "	Floral "
Selma "	Montgomery "
Sheffield "	Florence "
South Athens Ga.	Augusta Ga.
Spocari Ala.	(See Note 11)
Talladega "	Anniston Ala.
Thomas "	Birmingham "
Thomasville Ga.	(See Note 12)
Troy Ala.	(See Note 9)
Tuscumbia "	Florence Ala.
Valdosta Ga.	(See Note 12)
Washington "	Elberton Ga.
Wheeling Ala.	Birmingham Ala.
Woodlawn "	"
Woodward "	"

NOTE 1. The rates are made the same as those to Atlanta, Ga., except that on Class H the rates are arbitrarily made.

NOTE 2. From Louisville and Cincinnati the rates are made on the lowest combination, but not higher than the local rates of the Louisville &

Nashville Railroad, observing the Montgomery differentials as between Louisville and Cincinnati interchangeably.

NOTE 3. Generally, the rates are made the same as those to Americus, Ga.

NOTE 4. The rates are made the same as those to Fitzgerald, Ga., but not higher than the lowest combination.

NOTE 5. The rates are made the Birmingham differentials higher than the Memphis rates but not in excess of the lowest combination, Birmingham rates being observed as maxima.

NOTE 6. The rates are made on the lowest combination. (The Interstate Commerce Commission has recently ordered rates to be made the same as those to Atlanta, but the order is not effective at the time of this publication.)

NOTE 7. The rates are made the same as those to Fitzgerald, Ga., but not higher than the lowest combination.

NOTE 8. The rates are made the following differentials higher than the rates to Macon, Ga., with the lowest combination as maximum.

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.....	25	22	19	18	14	12	12	9	6	5	14	14	12

NOTE 9. The rates are made the following differentials over the rates to Bainbridge, Ga., but not to exceed the lowest combination.

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.....	4	4	4	4	3	3	3	3	3	2	4	4	6

NOTE 10. The rates are made the following differentials over the rates to Albany, Ga.:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.....	20	17	14	12	9	7	7	3	2	2	10	10	4

NOTE 11. The rates are made the following differentials over the rates to Selma, Ala.:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.....	5	4	4	3	3	2	2	2	1	1	2	2	2

NOTE 12. The rates are made the following differentials over the rates to Albany, Ga.:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.....	20	17	14	12	9	7	7	3	2	2	10	10	4

Taking the route formed by the Louisville & Nashville Railroad from Louisville, Ky., to Montgomery, Ala., and the Seaboard Air Line Railway from Montgomery to Savannah, Ga., representative rates to the more important points as well as to some of the local points are indicated in their geographical order in Table 48.

TABLE 48

RATES FROM LOUISVILLE, KY. TO SAVANNAH, GA., AND INTERMEDIATE POINTS VIA THE LOUISVILLE & NASHVILLE RAILROAD TO MONTGOMERY, ALA., AND VIA THE SEABOARD AIR LINE RAILWAY FROM MONTGOMERY TO SAVANNAH, GA.

FROM LOUISVILLE, KY., TO	RATES IN CENTS PER 100 POUNDS EXCEPT AS NOTED													
	Classes ¹													
	1	2	3	4	5	6	A	B	C	D	E	H	F ²	
Decatur, Ala. ³	79	69	58	47	40	30	23	29	25	21	34	33	42	
Birmingham, Ala. ³	79	69	58	47	40	30	28	34	26	22	39	39	44	
Oxmoor, Ala. ³	79	69	58	47	40	30	28	34	26	22	39	39	44	
Calera, Ala. ³	100	80	60	57	53	47	43	51	36	25	52	52	66	
Montgomery, Ala. ³	98	87	78	62	50	41	28	34	26	22	44	39	44	
Roba, Ala. ⁴	150	133	122	101	85	65	50	55	41	36	76	74	74	
Hurtsboro, Ala. ⁴	141	121	109	88	73	59	41	54	41	36	69	73	74	
Plains, Ga. ⁴	143	125	112	91	76	61	46	51	38½	34	71	73	69½	
Americus, Ga. ⁴	123	107	96	78	65	52	37	42	33	29	60	60	58	
De Soto, Ga. ⁴	146	127	115	94	79	63	48	52	39	34½	74	75	70½	
Cordele, Ga. ⁴	123	107	96	78	65	52	37	42	33	29	60	60	58	
Pitts, Ga. ⁴	146	127	115	93	79	63	48	52	39	34½	74	75	70½	
Helena, Ga. ⁴	143	124	110	90	74	59	44	45	35	31	70	70	62	
Vidalia, Ga. ⁴	144	125	114	104	84	66	51	56	39	34½	66	75	70	
Collins, Ga. ⁴	136	118	109	100	82	64	53	53	38	33½	64	70	68	
Daisy, Ga. ⁴	131	113	105	96	79	62	51	52	37½	33	61	66	67½	
Cuyler, Ga. ⁴	120	103	95	88	73	59	48	49	36	31	55	58	64	
Meldrim, Ga. ⁴	118	100	94	85	72	57	46	48	35	30½	54	55	62½	
Savannah, Ga. ⁴	95	80	75	70	58	46	35	38	29	25	40	40	50	

¹Governed by the Southern Classification.

²Per barrel.

³On the Louisville & Nashville Railroad.

⁴On the Seaboard Air Line Railway.

(b) Rates from Louisville, Ky., and Other Base Points

To Anniston, Ala.—The class rates to Anniston, Ala., are as follows:

Classes ..	1	2	3	4	5	6	A	B	C	D	E	H	F
Rates ...	98	87	78	63	52	41	28	36	28	24	48	45	48

The foregoing rates are the same as the rates to Atlanta, Ga., except that on Class H the rates are made 3 cents less than the rates to Atlanta.

The same rates as to Anniston also apply to the following points in Alabama:

Alabama City	Gadsden	Oxford
Attalla	Ironaton	Silver Run
Barclays	Jenifer	Talladega
Curry	Munford	Trussville

To Albany, Ga.—The through class rates to Albany Ga., are made the following differentials over the Macon, Ga., rates:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Macon rates	103	90	81	65	54	43	28	38	30	26	50	50	52
Differentials.....	20	17	15	13	11	9	9	4	3	3	10	10	6
Through rates.....	123	107	96	78	65	52	37	42	33	29	60	60	58

The same rates as to Albany, Ga., also apply to Americus, Cordele, and Dawson, Ga.

To Atlanta, Ga.—The class rates to Atlanta, Ga., are made the same as the rail-and-water rates from Baltimore, Md., and are on the following basis:

Classes ..	1	2	3	4	5	6	A	B	C	D	E	H	F
Rates ...	98 ¹	87 ²	78 ¹	63 ¹	52 ¹	41 ¹	28 ¹	36 ²	28 ²	24 ²	48 ¹	48 ²	48 ²

The same rates as to Atlanta also apply to the following points in Georgia:

Armour	East Point	Howell
Cartersville	Federal Prison	Lindale
Cedartown	Fort McPherson	Rome
Chattahoochee	Hapeville	Roseland (Fulton Co.)
Dalton ³		

To Charleston, S. C.—The class rates to Charleston, S. C., are as follows:

Classes ..	1	2	3	4	5	6	A	B	C	D	E	H	F
Rates ..	95	80	75	70	58	46	35	38	29	25	40	40	50

The class rates to Charleston were originally made by fixing the rates from Chicago based on the rail-and-

¹Louisville to Montgomery.

²Fixed arbitrarily.

³Not to exceed the Chattanooga Combination

water rates via Baltimore. The rates from the Ohio River Crossings were then made less than the rates from Chicago to the extent of the full tariff from Chicago to the Ohio River Crossings.

However, some changes have been made since the original basis was established, as, for example, in compliance with an order of the Interstate Commerce Commission, effective August 1, 1908, the rates on Class B were arbitrarily advanced 3 cents per 100 pounds; on Classes C and D, 2 cents per 100 pounds; and on Class F, 4 cents per barrel.

The class rates to Charleston from Memphis, Tenn., and Vicksburg, Miss., are the following differentials under the rates to Louisville:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Rates.....	4	4	4	4	4	4	4	4	4	4	4	4	8

The same rates as to Charleston also apply to the following points:

Beaufort, S. C.	Goodrich, S. C.	Port Royal, S. C.
Brunswick, Ga.	Jacksonville, Fla.	Read Phosphate Works,
Burtens Mill, S. C.	Mayport, Fla.	S. C.
Fernandina, Fla.	Milldale, Fla.	Savannah, Ga.
Florida Transfer, Fla.	(C. L. only)	Ten Mile, S. C.
(When for beyond)		

To Birmingham, Ala.—Memphis, Tenn., is the base point for rates to Birmingham, Ala., the class rates being as follows:

Classes ..	1	2	3	4	5	6	A	B	C	D	E	H	F
Rates ...	79	69	58	47	40	30	28	34	26	22	39	39	44

The rates from Memphis having been established, the rates from Louisville, Ky., and the Ohio River Crossings taking the same rates are made uniformly 4 cents per 100 pounds higher than the rates to Memphis.

The same rates as to Birmingham also apply to the following points in Alabama:

Avondale	Gate City	Pratt City
Bessemer	Grasselli	Ruffner
Boyles	Helena	Thomas
Dolcito Junction	Hillman	Wheeling
East Birmingham	Irondale	Winetka
Ensley	North Birmingham	Woodlawn
Ensley Junction	Oxmoor	Woodward

To Chattanooga, Tenn.—Louisville, Ky., is the base point, the class rates being as follows:

Classes ..	1	2	3	4	5	6	A	B	C	D	E	H	F
Rates ...	70	60	53	44	38	29	20	29	25	21	34	39	42

The class rates from Memphis, Tenn., to Chattanooga, Tenn., are made the following differentials under the rates from Cairo, Ill.:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.....					1	2	3	4	4	4	4	4	8

The above basis applies from the Ohio River Crossings to Chattanooga only.

The rates from points taking Ohio River Crossings rates to points in what is known as the Chattanooga Group are the following differentials higher than the rates from the Ohio River Crossings to Chattanooga, proper:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials....	6	5	4	3	2	1	..	..	..	..	..	..	..

To Macon, Ga.—The through class rates to Macon, Ga., are made the following differentials over the Atlanta, Ga., rates:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Atlanta rates.....	98	87	78	63	52	41	28	36	28	24	48	48	48
Differentials.....	5	3	3	2	2	2	..	2	2	2	2	2	4
Through rates.....	103	90	81	65	54	43	28	38	30	26	50	50	52

The same rates as to Macon also apply to the following points:

Athens, Ga.	Eufaula, Ala. (proper)	Opelika, Ala.
Augusta, Ga.	Girard, Ala	Phoenix City, Ala.
Columbus, Ga. (proper) ⁴		

To Decatur, Florence, Huntsville, New Decatur, Sheffield, and Tuscumbia, Ala.—The class rates from Memphis, Tenn., to Florence, Sheffield, and Tuscumbia, Ala., are as follows:

Classes ..	1	2	3	4	5	6	A	B	C	D	E	H	F
Rates ...	44	42	33	26	22	17	15	25	21	17	22	28	34

The class rates from Nashville are made the same as those from Memphis, except that on Classes B, C, D, and F the rates are 2 cents per 100 pounds, or 4 cents per barrel, less than the rates from Memphis. The rates from Nashville are as follows:

Classes ..	1	2	3	4	5	6	A	B	C	D	E	H	F
Rates ...	44	42	33	26	22	17	15	23	19	15	22	28	30

The through class rates from Memphis to Decatur, New Decatur, and Huntsville are the following differentials higher than the rates from Memphis to Florence:

Classes	1	2	3	4	5	6	A	B	C	D	E	H	F
Rates from Memphis to Florence	44	42	33	26	22	17	15	25	21	17	22	28	34
Differentials	10	8	6	5	3	3	2	..	..	..	3	3	..
Through rates	54	50	39	31	25	20	17	25	21	17	25	31	34

The class rates from Nashville to Decatur, New Decatur, and Huntsville are the same as the rates from Memphis to Florence.

The class rates from Louisville and the Ohio River Crossings west thereof are the following differentials higher than the rates from Nashville, except as noted:

⁴The above basis does not apply from Cincinnati, from which point rates are made the Montgomery differentials higher than the rates to Louisville. The Montgomery differentials are as follows:

Classes	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials ...	10	10	10	8	7	6	4	2	2	2	4	4	4

Classes	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials	35	27	25	21	18	13	8	4 ¹	4 ¹	4 ¹	12	5	8 ¹

The class rates from Cincinnati to Florence, Sheffield, Tusculumbia, Decatur, and New Decatur are made the Montgomery differentials higher than the rates to Louisville. The Montgomery differentials are as follows:

Classes	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.	10	10	10	8	7	6	4	2	2	2	4	4	4

The class rates from Cincinnati to Huntsville are the same as the rates from Louisville.

The same rates as to Decatur also apply to Guntersville, Hobbs Island, Gunters Landing, and Wyeth City, Ala.

The same rates as to Huntsville also apply to Chase, Ala.

To Demopolis, Ala.—The through class rates from Louisville, Ky., to Demopolis, Ala., are made the following differentials higher than the rates to Selma, Ala.:

Classes	1	2	3	4	5	6	A	B	C	D	E	H	F
Selma rates	93	87	78	62	50	41	28	34	26	22	44	39	44
Differentials		5	4	4	3	3	2	2	2	1	1	2	2
Through rates	103	91	82	65	53	43	30	36	27	23	46	41	46

To Milledgeville, Ga.—The class rates from Louisville, Ky., to Milledgeville are:

Classes . .	1	2	3	4	5	6	A	B	C	D	E	H	F
Rates . . .	110	96	87	70	58	46	30	40	32	28	54	54	56

The above rates are made 107 per cent of the rates from Louisville to Macon, with maximum differentials above the Macon rates of 2 cents on Classes A, B, C, and D, and 4 cents on Class F.

¹Higher than the rates from Memphis.

To Tuscaloosa, Ala.—The numbered class rates from St. Louis, Mo., to Tuscaloosa, Ala., are made the same as the rates from Cincinnati, Ohio. The lettered class rates are the same as those from St. Louis to Montgomery.

The class rates from Louisville, Ky., and Jeffersonville, Ind., are made the Montgomery differentials less than the Cincinnati rates. The Montgomery differentials are as follows:

Classes	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.	10	10	10	8	7	6	4	2	2	2	4	4	4

The class rates from Evansville and Mount Vernon, Ind., and Henderson and Owensboro, Ky., are made the same as the rates from Louisville, Ky.

The class rates (except on Class H) from Cairo and Brookport, Ill., Birds Point and Belmont, Mo., and East Cairo, Columbus, Hickman, and Paducah, Ky., are made the current Mississippi Valley differentials less than the rates from St. Louis, Mo. The Mississippi Valley differentials are as follows:

Classes	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.	15	12	10	8	7	6	4	5	5	5	5	10	10

The class rates from Memphis, Tenn., are made 4 cents per 100 pounds less than the rates from Cairo, Ill.

(c) *Bases for Rates from Points Related to Louisville*

From Cincinnati, Ohio.—The class rates from Cincinnati, Ohio, are made the same as those from Louisville, Ky., except that to Montgomery Sub-Territory^a the following differentials over the Louisville rates apply:

Classes	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.	10	10	10	8	7	6	4	2	2	2	4	4	4

^aSee Map 5, Atlas of Traffic Maps.

From Lexington and Frankfort, Ky.—The class rates from Lexington and Frankfort, Ky., are made the same as those from Cincinnati, Ohio, except that on Classes C, D, and F to Montgomery Sub-Territory⁷ the rates are 2 cents per 100 pounds, or 4 cents per barrel, lower than the rates from Cincinnati, or in other words, the same as those from Louisville, Ky.

The rates from the following points are made the same as the rates from Louisville, Ky.:

Belmont, Mo.	East Cairo, Ky.	Mound City, Ill.
Birds Point, Mo.	Evansville, Ind.	Mount Vernon, Ind.
Brookport, Ill.	Henderson, Ky.	New Albany, Ind.
Cairo, Ill.	Hickman, Ky.	Owensboro, Ky.
Columbus, Ky.	Jeffersonville, Ind.	Paducah, Ky.

From St. Louis, Mo.—The class rates from St. Louis, Mo., are made the following differentials higher than the rates from the Ohio River Crossings:

Classes	1	2	3	4	5	6	A	B	C	D	E	H	F	.
Differentials.	23	19	17	12	10	8	7	8	7	5	8	10	14	.

From Memphis, Tenn.—The class rates from Memphis, Tenn., are made 4 cents per 100 pounds, or 8 cents per barrel, less than the rates from Louisville, Ky., except that to points on and south of the line of the Seaboard Air Line Railway from River Junction to Fernandina, Fla., the rates are 1 cent higher than those from New Orleans, La., on sugar and molasses.

From Nashville, Tenn.—The class rates from Nashville, Tenn., are made the following differentials less than the rates from Louisville, Ky., except as noted:

Classes	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials	35	30	25	22	18	13	8	8	7	7	15	21	14

The rates are not to be less per mile than the rates from Louisville, Ky.

⁷See Map 5, Atlas of Traffic Maps.

From New Orleans, La.—To Attalla and Anniston, Ala., and groups, Chattanooga, Tenn., Dalton, Chambers, Chattahoochie, and Rome, Ga., the rates are the same as those to Atlanta. To Huntsville, Decatur, Florence, Sheffield, and Tuscumbia, Ala., the rates are the same as those to Chattanooga, but are not higher than the local scale of rates on the Louisville & Nashville Railroad from New Orleans to Decatur, or higher than the Memphis combination. To points on and south of the line of the Seaboard Air Line Railway from River Junction to Fernandina, Fla., the rates are made the same as those applying from Nashville, Tenn. To Birmingham and group, and Montgomery and Selma, Ala., the rates on the numbered classes are made the same as the rates from Cincinnati to Birmingham. The rates on the other classes and on all the commodities are the same as the rates from Memphis, Tenn. To all other destinations the rates are the same as those currently in effect from Memphis, Tenn.

Certain commodity rates, notably on sugar, rice, molasses, and tropical fruits, are made with regard to the rates from the Eastern Cities and the South Atlantic Ports.

From Vicksburg, Natchez, Greenville, and Jackson, Miss.—The rates are made the same as those from New Orleans, La., except that to points on and south of the Seaboard Air Line Railway from River Junction to Fernandina, Fla., inclusive, the Memphis rates are applied.

From Mobile, Ala.—To points on a line from Chattanooga through Rome and Atlanta, Ga., and Opelika, Ala., the rates are made the following differentials below the New Orleans rates:

Classes	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials . .	10	10	10	10	5	5	4	4	4	4	5	10	8

Various commodities take special differentials and others take class differentials, but the rates are not less than those from the South Atlantic Ports. To all other destinations the rates are made the differentials named under the New Orleans rates without regard to the rates from the South Atlantic Ports.

From Pensacola, Fla.—To Albany, Ga., the rates are made the same as those from Mobile, but not higher than the combination of rates to and from River Junction, Fla. To South Atlantic coast points and to Florida destinations, the rates are made the following differentials less than the rates from Mobile:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.....	7	7	7	7	4	4	3	3	3	3	4	7	6

The rates to all other destinations are the same as the rates from Mobile.

(d) *Adjustment from Mississippi Valley Points*

From Gulfport, Miss.—The rates are made the same as the rates from New Orleans, La.

From Helena, Ark.—The rates are made 1 cent per 100 pounds higher than the rates from Greenville, Miss.

From Meridian, Miss.—The rates are made the same as the rates from Mobile, Ala., with continuous locals and combination as maxima. There are exceptions on a few commodities.

From Columbus, Miss.—To all points on and east of the Chattanooga-Birmingham-Selma-Montgomery-Pensacola Line, the rates on substantially all articles manufactured at Columbus are made the same as the rates from Greenville, Miss., but not less than those from Meridian, Miss.

From Corinth, Miss.—To substantially the entire territory, the rates on articles manufactured thereat are made the same as the rates from Memphis, Tenn. The same basis also applies on grain, except that to South Atlantic coast points the rates are 3 cents higher than the Memphis rates.

From Ellisville, Hattiesburg, Laurel, and Newton, Miss.—The rates are made the same as the rates from Vicksburg, Miss.

From junction points in West Tennessee north of Jackson.—To practically the entire territory, the rates on substantially all commodities of manufacture and production are made the same as the rates from Cairo or Louisville.

From Jackson, Tenn.—The Memphis rates apply on barrel material, engines, machinery, and furniture. On classes and other commodities the Cairo rates apply, except that to the Huntsville, Decatur, and Florence groups the Memphis rates are authorized.

From Johnsonville, Tenn.—The rates are made 2 cents per 100 pounds less than the rates from Paducah, Ky.

From Perryville, Tenn.—The rates are made 2 cents per 100 pounds less than the rates from Cairo.

From non-competitive points, the lowest combination applies, except that in various cases covering commodity rates (such as on lumber and on some manufactured articles on which the rates are made with relation to those from adjacent common points) the basis is the lowest combination with continuous mileage rates, where such exist, as maxima.

To intermediate points, the basis is the lowest combination with continuous mileage rates, where such are applicable, as maxima.

(e) Adjustment from Kentucky-Tennessee Territory

From Nashville, Tenn.—The basis has been shown under that from the Ohio River Crossings, because the relationship is so rigidly maintained.

From Clarksville (depot), Tenn.—The rates are made the following differentials higher than the rates from Nashville:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials...	11	11	11	6	6	4	4	4	4	4	6	6	7

From junction points generally, and from a large number of local points intermediate to the Ohio River, rates are made in close relationship to the Ohio River or to some point taking the same rates. For instance, the rates from central Kentucky junctions are made the same as the rates from Cincinnati, or from Lexington, or from Louisville, as the case may be. Some places carry such a basis with exceptions. Again, the rates from some of these points are made low differentials higher than the rates from the Ohio River. From some of the Tennessee points, the rates are made with relation to basing points within that state. For example, some of the rates from Columbia, Tenn., are made with relation to those from Nashville; rates from Knoxville are made fixed differentials over the rates from Chattanooga, and the like.

To points intermediate to the basing points, the basis is the lowest combination with continuous mileage rates, where such are applicable, as maxima.

(f) Adjustment from Central Freight Association and Western Territories

The basis for rates from the so-called Central Freight Association Territory is the lowest combination on the

Ohio River or the Virginia Gateways using the full rates from said basing points. In a few instances, notably from Chicago, Milwaukee, Indianapolis, and related points, there are in effect proportional rates to the Ohio River (subject to the Southern Classification) which range below the local rates thereto and which permit of the publication of through rates.

From the territory generally, however, the local rates up to the river crossings or Virginia Gateways (subject to the Official Classification) are applied both in making and dividing the rates. Through tariffs cannot readily be published because of the classification differences.

The proportional rates from some of the more important points in Central Freight Association Territory to the Ohio River Crossings are indicated in Table 49.

TABLE 49

PROPORTIONAL CLASS RATES FROM POINTS NAMED TO OHIO RIVER CROSSINGS

TO OHIO RIVER CROSSINGS FROM	RATES IN CENTS PER 100 POUNDS EXCEPT AS NOTED												
	Classes ¹												
	1	2	3	4	5	6	A	B	C	D	E	H	F ²
Chicago.....	35	30	22	15	13	10	12	12	10	10	13	15	20
Peoria.....	35	30	22	15	13	10	12	12	10	10	13	15	20
Indianapolis.....	22	19½	17½	11	8½	7	8	8	5	6	9	9	10
Davenport.....	41	35	26	18	15	12	14	14	12	12	15	17	24
Milwaukee.....	41	35	26	18	15	12	14	14	12	12	15	17	24

¹Governed by the Southern Classification.

²Per barrel.

These proportional rates are applicable to all the Ohio River Crossings, from Cairo, Ill., to Cincinnati, Ohio, inclusive, and are combined with the published rates applying from the various crossings.

2. OUTBOUND ADJUSTMENT FROM SOUTHEASTERN TERRITORY

The general basis for outbound rates from Southeastern Territory to points north of the Ohio and Potomac rivers and west of the Mississippi River corresponds with the inbound basis; that is to say, the class and a few commodity rates northbound to the North Atlantic Ports, the Eastern Cities, the Virginia Cities, interior eastern points, the Ohio River Crossings, and the Mississippi River Crossings correspond with those in the reverse direction. The northbound commodity rates generally, however, do not cover the same commodities as the southbound rates, and are not to be compared therewith. While the same general relationship applies to a given destination or section as between the common points, entirely different elements enter into the considerations which determine the measure of the rates, and for this reason commodity rates in one general direction should rarely be associated with those in another.

For illustration, while the rates on an article of common production at Macon, Atlanta, Birmingham, or Chattanooga to the Ohio River are made with regard each to the other, the determining causes for the rates to the Ohio River do not, in essence, enter into those making the rates to the East. The commodity rates to the Ohio River are fixed with regard to the competition that will have to be met at the Ohio River and at points north. The rates made to Memphis, New Orleans, etc., take into account the competition that is met locally at those points, or from points west of the Mississippi River, or from points of production at or north of the Ohio River. As a rule, the rates are fixed to each of the Ohio River Crossings in due relation one to the other; that is, if a certain rate is neces-

sary to Cincinnati to cause a free movement to that point, the rates to Louisville, Evansville, and Cairo (except as noted below) are readjusted to correspond. Similarly, while under ordinary conditions the rates to the eastern territories, including the Virginia Gateways, are adjusted without particular regard to the rates made to the West, but to meet conditions found in the East, the ordinary relationship between the terminal points is maintained.

It is almost invariably the case that the rates to Central Freight Association Territory are adjusted on the lowest combination through the Ohio River Crossings. The measure of competition which is met as concerns each of the commodity rates determines whether it is necessary to establish proportional rates to the Ohio River below the full rates thereto. A great majority of the commodity rates are issued to the Ohio River proper, the same figures being charged on through traffic to destinations north, but in some cases proportional rates are established, the most notable of these being the adjustment of the cotton factory products. The rate from the great central group of southern mills to Chicago was made the same as the rate from the New England mills to Chicago. From this figure was deducted the proportional rate charged by the lines from the north bank of the Ohio River, the balance being the figure used to establish a proportional rate to the Ohio River, which is used in constructing through rates to all destinations in the north and central West.

An exception is above noted concerning the relative basis as between the Ohio River Gateways. This exception relates to the lumber and pig iron rates. In the case of the first, because of competition from the Arkansas and Louisiana mills, from which a low rate

was made to Cairo and increasing rates to each of the Ohio River Crossings above Cairo, a similar adjustment has been followed by the southern lines, which make a lower rate to Cairo than to any of the crossings, the rate increasing at each crossing above until Cincinnati is reached. The through rates to destinations north are established on the lowest combination and apply via all open routes. For the pig iron rates, designed to enable a free movement as against the northern furnaces, there is not a regular adjustment between the several crossings, either to those points proper, or in the basing rates used in constructing through rates on the lowest combination.

An important deviation from the principle of constructing rates to and from local or intermediate points as heretofore outlined is found in the rates on articles manufactured or produced at such points which are in commercial competition with those made or produced at adjacent common points. The element of market competition early led the railroads to the conclusion that the manufacturers and producers at non-competitive points could not successfully compete with those at competitive points, unless they were given rates relatively the same as those of the adjacent competitive points. A cotton factory, for example, located at a station on the Southern Railway, say between Atlanta and Macon, has its rates adjusted to be not higher than those of the competing factory at Macon when the movement is northward through Atlanta, and not higher than the rates from Atlanta when the movement is through Macon. In a broad sense, therefore, as concerns such cases, there is no variation from the long-and-short-haul principle of the Act to Regulate Commerce.

Many of the lines serving Southern Territory publish numerous commodity tariffs, among the more important of which are those applying upon cotton, cotton factory products, lumber, and domestic and tropical fruits. The number of these tariffs is being increased from year to year. The tariff publications of the various committees in this territory are very voluminous and in general cover class rates and general commodity rates.

3. FOURTH SECTION ORDERS

The orders of the Interstate Commerce Commission affecting adjustments in this territory are set forth in Appendix B.

CHAPTER XIII

CAROLINA RATE TERRITORY

1. BASIC PRINCIPLES

The rates between various gateways (Virginia Cities, Paint Rock, N. C., Johnson City, Tenn., Atlanta, Athens, and Augusta, Ga., and Charleston and Columbia, S. C.) applicable on traffic originating at or destined to points within this territory are the local rates of the initial lines in most instances; in some cases, however, they are the proportional rates made less than the local rates. As a rule, these rates are graded according to distance, although the competition between the various places within the territory has often brought about figures below the level of the distance tariffs of the several railroads.

Generally, the rates at intermediate points do not exceed those at points beyond; but there are exceptions in the case of places intermediate to Wilmington and other points in eastern North Carolina located on navigable waters, and at Columbia, S. C., which is affected also by water competition. The rates from the Virginia Cities to these water-competitive places are all made on a differential relation to the rates from Baltimore, which are directly affected by water competition. Also, the rates from the Virginia Cities to certain of the points intermediate to the southeastern basing points (Atlanta, Athens, Augusta, Charleston, Savannah, etc.) are made higher than the rates to said cities.

2. ADJUSTMENT FROM EASTERN PORT CITIES

The rail-and-water rates from the Eastern Port Cities to Wilmington, Fayetteville, and New Bern, N. C., and Columbia, S. C., are made to meet the competition via the water lines. The rail-and-water rates from Baltimore are made differentials over the rates from the Virginia Cities, and in turn the rates from Philadelphia and New York are made differentials over the rates from Baltimore, and the rates from Boston differentials over the rates from New York. The all-rail rates to all of these destinations are then adjusted on differentials higher than the port rail-and-water rates.

3. FROM INTERIOR EASTERN POINTS EAST OF BUFFALO-PITTSBURGH TERRITORY

The all-rail rates from this territory are made as follows: From points taking the same proportions up to the Potomac Gateways, as from Boston, New York, Philadelphia, or Baltimore, respectively, the respective all-rail port rates are applied therefrom. From points taking higher proportions to the gateways than from the ports, the through rates are made as much higher than the port rates as represented by the differences in the proportions. The all-rail rates having been fixed, the rail-and-water rates are operated on differentials less than the rates via all rail.

4. FROM BUFFALO-PITTSBURGH TERRITORY

The rates from this territory, heretofore described, are made on combinations to the various gateways, plus the established local or proportional rates south,

TABLE 50—Continued

CLASS RATES FROM RICHMOND, VA., TO NORTH AND SOUTH CAROLINA DESTINATIONS

FROM RICHMOND, VA., To	RATES IN CENTS PER 100 POUNDS EXCEPT AS NOTED													
	Classes ¹													
	1	2	3	4	5	6	A	B	C	D	E	H	F ²	
Jonesboro, N. C.														
Manley, N. C. ³														
Aberdeen, N. C.														
Lemon Springs, N. C. ³														
Sanford, N. C.														
Starr, N. C.	68	58	48	38	33	25	18	24	23	20	33	38	46	
Hemp, N. C. ³														
Harrison, N. C.														
Candor, N. C. ³														
Asheboro, N. C.														
Asbury, N. C. ³														
Newton, N. C.	80	70	60	50	41	32	22	30	27	23	43	51	53	
Winston-Salem, N. C.	61	51	42	32	28	21	17	22	21	18	28	32	42	
Lincolnton, N. C.	80	70	60	50	41	32	22	30	27	23	43	51	53	
Mt. Holly, N. C. ³	78	68	58	48	40	31	21	26	27	23	40	49	53	
Orangeburg, S. C.	85	75	62	50	41	34	24	29	28	24	44	47	50	
Sumter, S. C.	82	72	62	50	40	32	23	29	28	23	43	47	50	
Woodford, S. C. ³	85	75	62	50	41	34	24	29	28	24	44	47	50	

¹Governed by the Southern Classification.²Per barrel.³Intermediate points.

5. FROM OHIO RIVER CROSSINGS

(a) *From Cincinnati, Ohio*

The base rates from Cincinnati to the Virginia Gateways were calculated by assimilating the rates from Chicago to the Virginia Cities, proper, to the Southern Classification and deducting therefrom the proportional rates from Chicago to Cincinnati (applicable on south-

ern business¹), the resultant balance being base rates.

When for destinations on and north of an imaginary line drawn from Cleveland, Tenn., through Murphy, N. C., Walhalla, Seneca, Anderson, Belton, Abbeville, Greenwood, Newberry, Alston, and Columbia, S. C., to Wilmington, N. C., the base rates from Cincinnati to Atlanta were calculated by adding the following differentials to the rates from Nashville to Atlanta, proper:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials....	6	5	3	3	3	3	2	2	2	2	2	2	4

When for destinations south of the Walhalla-Wilmington Line, the Cincinnati-Atlanta base rates are the same as the rates from Cincinnati to Atlanta, proper.

In a similar way, the base rates from Cincinnati to Athens, Augusta, and Charleston were worked out.

The base rates from Cincinnati to Paint Rock, Tenn.-N. C., are 75 per cent (representative of comparative distances) of the base rates to Atlanta. The rates to Johnson City, Tenn., are the same as those to Paint Rock. The rates to Columbia are the rates to that point, proper.

Table 51 sets forth the basing rates from Cincinnati when for destinations on and north of the Walhalla-Wilmington Line, while Table 52 sets forth the rates when for destinations south of this line.

While the class basing rates only are exhibited, numerous commodity figures are, in effect, worked out as described.

(b) *From Covington, Newport, Louisville, and Lexington, Ky., and Jeffersonville, Ind.*

The rates from Cincinnati having been fixed, the rates from Covington, Newport, Louisville, and Lexington,

¹See page 217

TABLE 51

BASING RATES FROM CINCINNATI, OHIO, WHEN FOR DESTINA-
TIONS ON AND NORTH OF THE WALHALLA-
WILMINGTON LINE

FROM CINCINNATI, OHIO, TO	RATES IN CENTS PER 100 POUNDS EXCEPT AS NOTED													
	Classes ¹													
	1	2	3	4	5	6	A	B	C	D	E	H	F ²	
Virginia Cities.....	32	28	22	15	12	10	10	15	11	11	14	12	22	
Paint Rock, N. C.....	54	48	43	35	29	24	17	23	17	14	26	28	29	
Johnson City, Tenn.....	72	64	57	46	38	32	22	30	23	19	35	37	38	
Atlanta, Ga.....	79	69	61	49	42	34	22	32	25	21	38	39	42	
Augusta, Ga.....	78	65	60	56	47	38	29	32	25	21	32	32	42	
Athens, Ga.....	107	92	81	65	53	44	28	42	34	30	47	60	60	
Charleston, S. C.....														
Columbia, S. C.....														

¹Governed by the Southern Classification.

²Per barrel.

TABLE 52

BASING RATES FROM CINCINNATI, OHIO, WHEN FOR DESTINA-
TIONS SOUTH OF THE WALHALLA-
WILMINGTON LINE

FROM CINCINNATI, OHIO, TO	RATES IN CENTS PER 100 POUNDS EXCEPT AS NOTED													
	Classes ¹													
	1	2	3	4	5	6	A	B	C	D	E	H	F ²	
Virginia Cities.....	32	28	22	15	12	10	10	15	11	11	14	12	22	
Paint Rock, N. C.....	74	65	59	47	39	31	21	27	21	18	36	36	36	
Johnson City, Tenn.....														
Atlanta, Ga.....	98	87	78	63	52	41	28	36	28	24	48	48	48	
Augusta, Ga.....	103	90	81	65	54	43	28	38	30	26	50	50	52	
Athens, Ga.....														
Charleston, S. C.....	95	80	75	70	58	46	35	38	29	25	40	40	50	
Columbia, S. C.....	107	92	81	65	53	44	28	42	34	30	47	60	66	

¹Governed by the Southern Classification.

²Per barrel.

Ky., and Jeffersonville, Ind., are made the same. All the Ohio River points below Louisville are made the following differentials higher than the rates from Cincinnati when the destination is on or north of the Walhalla-Wilmington Line:

Classes	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials . .	10	10	8	8	6	4	2	4	2	2	5	6	4

To territory south of the Walhalla-Wilmington Line, the rates from the lower Ohio River Crossings are the same as the rates from Cincinnati.

(c) *From Memphis, Tenn.*

The rates from Memphis to the territory on and north of the Walhalla-Wilmington Line are on the following differential relation with Cincinnati:

Classes	1	2	3	4	5	6	A	B	C	D	E	H	F
Over Cincinnati rates . .	8	8	6	6	4	2	..	2	..	..	3	4	..
Under Cincinnati rates . .	..	..	..	..	..	..	..	..	2	2	..	..	4

The rates from Memphis to the territory south of the Walhalla-Wilmington Line are made the following differentials lower than the Cincinnati rates:

Classes	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials	4	4	4	4	4	4	4	4	4	4	4	4	8

6. FROM GULF PORTS

From New Orleans, La., the rates are made the following differentials higher than the rates from Atlanta, proper:

Classes	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials	26	23	21	20	13	13	10	10	10	10	12	18	20

The through rates so made shall not be less than the rates from Memphis, nor less than the following differentials over the rates from Montgomery:

Classes	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials	10	10	10	10	5	5	4	4	4	4	5	10	8

From Mobile, Ala., and Pensacola, Fla., the rates are made the following differentials less than the rates from New Orleans:

Classes	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials . .	10	10	10	10	5	5	4	4	4	4	5	10	8

Various commodity exceptions are provided.

7. FROM MISSISSIPPI VALLEY TERRITORY

From Greenville, Greenwood, Vicksburg, and Winona, Miss., the rates are the same as those from New Orleans.

From junction points south of the Memphis Division of the Southern Railway and on and east of the Mobile & Ohio Railway, the rates are made the following differentials under the rates from New Orleans:

Classes	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials	10	10	10	10	5	5	4	4	4	4	5	10	8

On specific articles manufactured at various points in Mississippi Valley Territory, the rates are made the same as those from Cairo, Memphis, Vicksburg, New Orleans, etc., as the case may be. Otherwise, through rates are made on the lowest combination from all points not specifically mentioned.

8. FROM KENTUCKY-TENNESSEE TERRITORY

(a) *From Nashville, Tenn.*

When the destination is on or north of the Wallhalla-Wilmington Line, the rates on Classes B, C, and D are made 2 cents less and on Class F 4 cents less than the rates from Louisville.

The rates on other classes, to destinations south of the Virginia-North Carolina state line and north of Smithfield, Goldsboro, and Kinston, N. C., on the Atlantic Coast Line Railroad, and Cary, N. C., on the Seaboard Air Line Railway, including Cary, are the same as the rates from Louisville, Ky.

To points other than the Virginia Cities on and north of the Danville & Western Railway, including the Leaks-ville Branch, and to points on and north of the Southern Railway, from Danville to Norfolk, including the Virginia and the Hitchcock Mill branches, and to stations on the Seaboard Air Line Railway and the Atlantic Coast Line Railroad in Virginia, the rates are made the following differentials less than the rates from Louisville:

Classes.....	1	2	3	4	5	6	A	E	H
Differentials.....	6	5	3	3	3	2	0	2	2

To all other destinations north of the Walhalla-Wilmington Line, the rates are made the following differentials less than the rates from Louisville:

Classes.....	1	2	3	4	5	6	A	E	H
Differentials.....	6	5	3	3	3	3	2	2	2

To that portion of Carolina Territory lying south of the Walhalla-Wilmington Line, the rates are made the following differentials less than the rates from Louisville:

Classes	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials	35	30	25	22	18	13	8	8	7	7	15	21	14

The maximum for each respective through rate is the same per ton per mile as that from Louisville.

(b) *From Clarksville, Tenn.*

To all destinations both north and south of the Walhalla-Wilmington Line, the rates are made the fol-

lowing differentials higher than the rates from Nashville:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials...	13	13	13	8	8	6	6	6	6	6	8	8	11

(c) *From Knoxville, Tenn.*

To Carolina Territory south of the Walhalla-Wilmington Line, the rates are made the following differentials higher than the rates from Chattanooga:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.....	12	9	7	6	5	4	3	3	3	3	3	3	6

The rates are not higher than the rates from Nashville.

To Carolina Territory on and north of the Walhalla-Wilmington Line, the rates are made the same as those from Chattanooga, although the exceptions to this basis are quite numerous.

From other places the rates are made either in definite relationship to the Ohio River, Memphis, or Nashville, or on the lowest combination.

9. FROM SOUTHEASTERN TERRITORY

(a) *From Huntsville, Decatur, Sheffield, Florence, Tusculumbia, and Riverton, Ala.*

The rates from Huntsville and Decatur, Ala., are made the same as the rates from Nashville. From Sheffield, Florence, Tusculumbia, and Riverton, Ala., the rates are made the same as those from Nashville, except that on Classes B and F the rates are made 2 cents higher and on Classes C and D 1 cent higher than the Nashville rates.

(b) From Chattanooga, Tenn.

To points on and north of a line beginning at Paint Rock; thence via the Southern Railway, through Asheville, Newton, Statesville, Salisbury, Greensboro, and Durham, N. C., to Raleigh, N. C.; thence via the Atlantic Coast Line Railroad to Norfolk; and thence south of a line from Paint Rock, through Roanoke, to Portsmouth, the rates are made the same as those from Atlanta.

To points south of the above-described territory, except to destinations in Georgia, the rates are made the following differentials higher than the rates from Atlanta, with minimum through rates in certain cases:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.....	10	8	7	6	5	4	3	3	3	3	4	4	6

To such Georgia destinations as are in Carolina Territory, the rates are made the following differentials over the Atlanta rates, with rates to Elberton and Athens, Ga., as minima in certain cases:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials...	15	12	10	8	7	5	4	4	4	4	5	5	8

(c) From Atlanta, Athens, and Augusta, Ga., and Charleston, S. C.

The rates from Atlanta, Athens, and Augusta, Ga., and Charleston, S. C., are the local rates or specific rates established by the individual lines.

From other common and junction points, the rates are made either the same as or differentials higher than the rates from Atlanta or Chattanooga, as the case may be. From local points the rates are made with relation to those from the common points, either on a differential basis or on the lowest combination.

TEST QUESTIONS

These questions are for the student to use in testing his knowledge of the assignment. The answers should be written out, but are not to be sent to the University.

1. What is the largest rate-making territory in Southern Classification Territory?
2. What is the occasion of the prominence that Atlanta, Ga., enjoys as a rate-making point?
3. What in a measure fixes the rates from the West to Atlanta, Ga.?
4. How did the constructive mileage from Baltimore, Md., to Atlanta, Ga., compare with the actual mileage from Louisville, Ky., to Atlanta, Ga.?
5. What causes occasion a departure from the distance principle of rate-making in the southeast?
6. What is a differential route? What led to the establishment of differentials?
7. On traffic from Seaboard Territory to points adjacent to Mobile, Ala., and Pensacola, Fla., what route initiates the rates?
8. How were the rates from New York City to Atlanta, Ga., made in the first instance?
9. What causes led to a reduction in the original rates to Atlanta, Ga.?
10. If a reduction is made in the rates to Atlanta, Ga., will it result in a corresponding reduction in the rates to Rome, Ga.?
11. Was the long-and-short-haul clause observed on traffic from the East to Atlanta, Ga.? If so, to what extent?
12. Upon what basis are the rates to Anniston, Ala., constructed?

13. To what causes may deviations from the authorized basis of rate-construction be attributed?

14. What procedure would you follow if you desired to construct a rate from New York City to Ozark, Ala.?

15. What are the class rates from New York City via rail and water to Columbus, Miss.?

16. What are the commodity rates on iron and steel rails from New York City to Atlanta, Ga.?

17. On traffic originating at New York City, is there a definite relationship between the rates to Atlanta, Ga., and those to Montgomery, Ala.?

18. Are the rates to common points applied to local points throughout Southeastern Territory?

19. Upon what basis are rates constructed to local stations in Alabama located on the Atlantic Coast Line Railroad?

20. Is the long-and-short-haul clause observed as to rates on the route from New York, N. Y., to Memphis, Tenn.?

21. To what causes may the comparatively low rates to Memphis, Tenn., from the East be attributed?

22. Does the line of rates from New York City to stations on the route selected to Montgomery, Ala., appear reasonable to you?

23. To stations in Montgomery Sub-Territory beyond Montgomery, Ala., what basis is employed in constructing through rates from the East?

24. Via what port does the greatest volume of traffic to Southeastern Territory move in connection with the water-and-rail routes?

25. What adjustment is employed in constructing rates from Boston, Mass., and Providence, R. I.?

26. How, as a general rule, are rates from interior New England points constructed?

27. Is it necessary to place manufacturers of like kind of commodities or articles upon a common footing? Why?

28. Outline briefly the adjustment employed in the establishment of rail-and-water rates from Philadelphia, Pa.

29. How are the rates from Baltimore, Md., made with regard to the rates from Philadelphia, Pa.?

30. As a general proposition, how are the rates constructed from Trunk Line Territory?

31. Give the rule for the assimilation of the Official Classification to the Southern Classification.

32. Define briefly Buffalo-Pittsburgh Territory.

33. What basis is employed in establishing the rates on lettered class traffic from Buffalo-Pittsburgh Territory?

34. What rates are observed as maxima from Ashland, Ky., on traffic destined to Jesup, Ga.?

35. Name the Potomac Gateways.

36. What is the adjustment from Newport News, Va., to Birmingham, Ala.?

37. Illustrate in general the method of constructing rates from New York City to Bennettsville, S. C.

38. Upon what general basis are commodity rates constructed?

39. What is the commodity rate on sugar from Boston, Mass., to Montgomery, Ala.?

40. On a commodity such as sugar, how do you account for the comparatively low rates from adjoining territories?

41. What differentials are the Gulf routes conceded?

42. Do the rates from the western base points reflect the effect of the rates from the East? If so, what is the occasion therefor?

43. Do the lake-and-rail rates from Chicago, Ill., to New York City have any effect upon the rates to points in Southern Territory?

44. How are the rates to Adele, Ga., made? To West Point, Ga.?

45. How would you proceed to construct the rates from Louisville, Ky., to Phoenix City, Ala.?

46. How do the rates to Savannah, Ga., from Louisville, Ky., compare with the rates to intermediate points in the route selected?

47. On the above route, at what point is the long-and-short-haul clause first violated?

48. What is the basis for the construction of rates from Corinth, Miss.?

49. Are the rates from Ellisville and Newton, Miss., made on the same basis?

50. As a general proposition, how are the rates from Central Freight Association Territory constructed?

51. Define a proportional rate.

52. Why cannot commodity rates in one direction be contrasted fairly with those applying in an opposite direction?

53. How was the rate on cotton factory products from points in Southeastern Territory constructed?

54. What does Carolina Territory embrace?

55. What is the rail-and-water adjustment employed to Wilmington, N. C.?

56. How are the rates from Buffalo-Pittsburgh Territory constructed?

57. Outline in general the Ohio River adjustment.

58. What are the class rates from Cincinnati, Ohio, to points on and north of the Walhalla-Wilmington Line, i. e., making on Columbia, S. C.?

59. Would there be any difference in these rates if the shipment were destined to a point south of this line?

60. To Carolina Territory are the rates from Louisville, Ky., made in relation to the rates from Cincinnati, Ohio?

61. Upon what scale are the rates from Memphis, Tenn., to Carolina Territory adjusted?

62. What basis is employed in making the rates from New Orleans, La., to Carolina Territory?

63. What is the difference between the rates from Vicksburg, Miss., and the rates from New Orleans, La., to Carolina Territory?

64. What are the class rates from Chattanooga, Tenn., to destinations in Carolina Territory?

CHAPTER XIV

MISSISSIPPI VALLEY RATE TERRITORY

1. CONSTRUCTION OF RATES TO NEW ORLEANS

The adjustment to be considered here will be that used in establishing rates to Mississippi Valley Territory, which is outlined on Map 5 of the Atlas of Traffic Maps. This map, as well as the description thereon, should be referred to in order that the boundaries of this territory and the points embraced therein may be definitely fixed.

For the purpose of this work it seems well to subdivide the points located in this territory as follows: (1) Points on the Mississippi River and the Gulf of Mexico; (2) Mississippi and Tennessee junction points; and (3) local points.

2. DEVELOPMENT OF WATER COMPETITION

The part that water competition has played in the development of the rate structures in the South is brought out very strongly by the Interstate Commerce Commission in its various investigations. While it is true that traffic on the Mississippi River has dwindled to a very small amount and that the water competition from this source may be considered as potential, yet a very aggressive competition is established by the Morgan and the Mallory lines, serving the ports of New York, New Orleans, and Mobile. The southbound ton-

nage from Seaboard Territory of the Morgan Line for the first eleven months of the calendar year for 1911 aggregated 246,000 tons and during the same period the deliveries of the Mobile & Ohio Railroad and Louisville & Nashville Railroad were but 577 tons. From this, it would seem that, considering the competition of markets and the volume of traffic involved, the rates from New York to New Orleans and Mobile must be considered as a controlling factor in this adjustment. All points located adjacent to the seaboard have the advantage of location over such markets as St. Louis, Chicago, Cincinnati, and other points located on inland waterways. This is due to the fact that the cost of operation on the high seas is considerably less than that for inland river navigation, owing to the greater size of the vessels and the consequently larger cargoes that may be carried, and the absence of currents and of shoal water.

3. EASTERN CITIES ADJUSTMENT

(a) *All-Water Rates from New York, N. Y.*

The uninsured all-water rates from New York City to New Orleans, are made by the Morgan Line Steamers as follows, subject to the Official Classification:

Classes.....	1	2	3	4	5	6
Rates.....	70	60	50	40	35	30

The rates are also applied from the other North Atlantic cities, namely, Boston, Philadelphia, and Baltimore. Via the Morgan Line there is also a system of through rates from interior eastern territory, including the Potomac Gateways. This system is to apply the port, proper, rate from the interior point, provided the

charge of the rail or the boat line up to the port added to the transfer cost to shipside does not exceed the maximum figure which the steamship line is willing to absorb. Any excess over the maximum absorption is added to the through rate.

(b) Rail-and-Water Rates from New York, N. Y.

The insured water-and-rail rates to New Orleans from the eastern seaboard cities and points taking the same rates, via the Atlantic Ports south of Baltimore, are made the following differentials greater than the corresponding all-water rates:

Classes.....	1	2	3	4	5	6
Differentials.....	25	20	15	10	8	6

From interior eastern points the rates via the South Atlantic Ports are made the same as the rates from Boston, New York, Philadelphia, or Baltimore, as the case may be, depending somewhat upon the amounts of the charges to shipside which are required to be absorbed by the vessel lines south of the ports of transshipment. Here the situation is as described concerning the corresponding rates via the Morgan Line.

(c) All-Rail Rates from New York, N. Y.

The all-rail rates from New York are as follows, subject to the Official Classification:

Classes.....	1	2	3	4	5	6
Rates.....	118	98	78	61	50	44

While not made on a definite relationship to the all-water rates, they are substantially, inasmuch as the latter, as at present fixed upon, were made with the

all-rail competition definitely established. It is of interest, in passing, to observe that from the North Atlantic cities and contiguous shipping points the greater volume of the traffic to New Orleans is controlled by the all-water route, only the heavy or bulky freight moving via the all-rail routes.

(d) From Boston, Mass., Philadelphia, Pa., and Baltimore, Md.

The rates from Boston, Baltimore, and Philadelphia, as well as from interior eastern territory, are made with relation to the rates from New York under the Trunk Line adjustment.

(e) From Virginia Cities

The all-rail rates from the Virginia Cities are the same as the water-and-rail rates from Baltimore.

To Mobile, Ala., the uninsured all-water rates from New York are the following differentials higher than the corresponding rates to New Orleans:

Classes.....	1	2	3	4	5	6
Differentials.....	5	5	4	4	3	3

Consequently, these differences are carried out in the water-and-rail and the all-rail rates.

(f) From Eastern Points to Mississippi River Points

The rates from eastern territory to Helena, Ark., Greenville, Gulfport, Natchez, and Vicksburg, Miss., are in line with the following rates from New York:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
All-rail rates.....	118	98	78	61	50	44	44	44	44	44	50	61	88
Water-and-rail rates...	104	95	78	61	50	44	40	49	41	40	59	60	80

It will be observed that the all-rail rates are the same as those to New Orleans, assimilated, however, to the Southern Classification. The all-rail and the water-and-rail rates to Baton Rouge and Bayou Sara, La., are the same as the all-rail rates to Vicksburg.

The Morgan Line carries via New Orleans uninsured rates which are a maximum of the following differentials less than the rates via the South Atlantic Ports to Baton Rouge and Bayou Sara, La., and Natchez and Vicksburg, Miss.:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.....	18	14	11	8	6	4	4	4	4	4	6	8	8

(g) From Tennessee Junction Points

Rates from junction points in west Tennessee and interior Mississippi Valley Territory to the lower Mississippi River points and Mobile are generally made the same as in the reverse direction; from local points in the same territories the rates are made on the respective local bases of the several direct lines, but not exceeding the lowest combination. From local points in central and east Tennessee, in Kentucky, and in Southeastern Territory, the normal basis is the lowest combination, except where the local scale of any direct line makes less. However, in the case of some of the manufactured commodities and the like, there are rates from these local points which are the same or slightly higher than the rates from some near common or junction point.

(h) From Carolina Territory

From Carolina Territory there are numerous rates which do not exceed the corresponding rates from the

Virginia Cities; otherwise, the lowest combination applies.

4. CLASS RATES

The rates from St. Louis and Louisville which have been fixed by river competition are used as the basis for determining the rates from points in Central Freight Association and Western Trunk Line territories to these points, and are as follows:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Rates.....	90	75	65	50	40	35	25	38	25	20	28	57	45

As a general proposition, the rates from St. Louis to New Orleans and points taking the same rates were fixed, primarily, to meet water competition. To the rates of the Anchor Line of steamboats and barges (a concern in operation on the Mississippi River for many years, but now defunct), certain insurance differentials were added, the resultant figures being adopted as the corresponding all-rail rates. There have been variations from this basic principle, in that the all-water rates from New York and other eastern cities to New Orleans are reflected in the adjustment from St. Louis, Chicago, and other western points to New Orleans and Mobile. It has been the policy of one of the principal lines serving New Orleans to make the same rates, or only slightly higher ones, from Chicago on some of the highly competitive commodities manufactured or produced both in the West and in the East as from New York. This ocean competition has necessarily caused the rates to Baton Rouge, Vicksburg, and other points customarily taking New Orleans rates to be reduced. Rates corresponding with those thus made from Chicago

were fixed from St. Louis on the customary differential basis.

Again, a few of the commodity adjustments from the Central West have been due to other than water-competitive conditions. The southern lines are not in control of the traffic between the upper Mississippi River points and other border points on the one hand and the lower Mississippi River points on the other hand, as the western lines (that is, those operating through Missouri, Arkansas, and Louisiana) actively compete between St. Louis, Chicago, St. Paul, Dubuque, etc., on the one hand and Memphis, Vicksburg, New Orleans, etc., on the other hand. On numerous occasions these lines have fixed commodity rates which are reflected in the rates of the southern lines from St. Louis and points east thereof.

Points of origin in the state of Illinois and in Central Freight Association Territory, etc., are grouped into sub-territories or sections; each of these groups is given the name of a prominent point within it and includes all points of origin, whether competitive or non-competitive. The joint working arrangements between the southern and the northern lines interested provide that the rates made on the differential relationship described in Table 53 shall be the minimum rates, it being left with the initial lines to determine whether they wish to make rates quite so low as the basis may permit. From points in Central Freight Association Territory particularly, the initial lines have not found it necessary to establish such an extensive list of commodity rates as that applied from St. Louis and the Ohio River.

CHAPTER XV

MISSISSIPPI VALLEY RATE TERRITORY—Continued

1. APPLICATION OF CLASS RATES

(a) From Ohio River Points and Related Territory

In Table 53 are given the differentials (over and under the St. Louis-Louisville-New Orleans rates) which are applicable from groups located on or adjacent to the Ohio River and from groups in Western Trunk Line Territory and which are used in the construction of rates.

TABLE 53

DIFFERENTIALS APPLICABLE FROM GROUPS LOCATED ON OR
RELATED TO THE OHIO RIVER

FROM GROUPS	DIFFERENTIALS OVER OR UNDER THE ST. LOUIS-NEW ORLEANS OR LOUISVILLE- NEW ORLEANS RATES EXCEPT, AS NOTED ⁴													
	Differentials in Cents per 100 Pounds Except as Noted													
	Classes ¹													
	1	2	3	4	5	6	A	B	C	D	E	H	F ²	
Cairo (under).....	15	12	10	8	7	6	4	6	5	5	5	10	10	
Nashville (under).....	15	12	10	8	7	6	4	6	5	5	5	10	10	
Evansville (under).....	3	3	3	2	2	2	2	2	2½	2	2	3	5	
Cincinnati (over) ³	8	8	8	4	4	4	3	3	2	2	3	4	4	
Indianapolis (over).....	8	8	8	4	4	4	3	2	2	2	3	4	4	
Springfield (over).....	8	8	8	4	4	4	3	4	2	2	3	4	4	
Peoria (over).....	14	11	9	6	5	5	4	4	3	3	4	6	6	
Chicago (over).....	20	15	10	8	7	6	6	6	6	6	5	8	12	
Milwaukee (over).....	26	20	14	11	9	8	8	8	8	8	7	11	16	
Kentucky ⁴	12	10	8	6	4	3	3	3	3	3	4	6	6	

¹Governed by the Southern Classification.

²Per barrel.

³Not greater per mile than from Louisville.

⁴Over Indianapolis group.

Taking the St. Louis rates as the basis and adding to or deducting from them the differentials shown in Table 53, through rates are produced.

Table 54 sets forth the current class rates from some of the various groups not only to New Orleans, La., but to Memphis, Tenn., as well. The Memphis adjustment, however, while hinged upon the adjustment to New Orleans will be taken up later.

As an illustration, assume that you wish to ascertain the rates from the Evansville group to New Orleans. The following shows how these rates are constructed

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
From St. Louis to													
New Orleans.....	90	75	65	50	40	35	25	38	25	20	28	57	45
Evansville differentials	3	3	3	2	2	2	2	2	2½	2	2	3	5
Through rates.....	87	72	62	48	38	33	23	36	22½	18	26	54	40

In the application of the differentials above stated, Central Freight Association Territory and part of Western Trunk Line Territory are divided into groups corresponding to those shown in Table 53. The following description of these groups will be found to be of much assistance in computing the rates from the territories.

Group 1.—St. Louis and Louisville rates apply from East St. Louis and Alton, Ill., and from points between Alton and East St. Louis on direct lines; Carondelet, Mo., Belleville and Venice, Ill., Jeffersonville and New Albany, Ind., and from the territory in the state of Illinois on and south of the line from East St. Louis, through Odin, Flora, and Olney, Ill., to the Indiana state line and such other points as may be otherwise provided for.

Group 2.—Cairo, Ill., rates apply from Belmont, Mo., Mound City, Ill., Paducah, Columbus, and Hickman, Ky., and such other points as may be otherwise provided for.

TABLE 97
CURRENT CLASS RATES¹ APPLICABLE FROM SPECIFIED GROUPS TO NEW ORLEANS, LA., AND
MEMPHIS, TENN.

From Groups	To	RATES IN CENTS PER 100 POUNDS														
		1	2	3	4	5	6	Classes ²		A	B	C	D ³	E	II	F ⁴
Evansville.....	Memphis, Tenn.....	62	47	42	33	28	23	13	24	12½	12½	10	18	39	25	
	New Orleans, La.....	87	72	62	48	38	33	23	36	22½	22½	18	26	54	40	
Vincennes.....	Memphis, Tenn.....	65	50	45	35	30	25	15	26	15	12	20	42	30		
	New Orleans, La.....	90	75	65	50	40	35	25	38	25	20	28	57	43		
Indianapolis.....	Memphis, Tenn.....	75	60	55	40	35	30	21	31	20	17	24	49	40		
	New Orleans, La.....	98	83	73	54	44	39	28	42	27	22	31	61	49		
Ft. Wayne-Columbus.....	Memphis, Tenn.....	85	65	55	43	37	31	21	32	21	18	25	50	42		
	New Orleans, La.....	110	90	75	58	47	41	31	44	31	26	33	63	57		
Detroit-Toledo.....	Memphis, Tenn.....	91	70	59	46	39	33	23	34	23	20	27	53	40		
	New Orleans, La.....	116	95	79	61	49	43	33	46	33	28	35	68	61		
Buffalo-Pittsburgh.....	Memphis, Tenn.....	91	70	59	46	39	33	23	34	23	20	27	53	40		
	New Orleans, La.....	116	95	79	61	49	43	33	46	33	28	35	68	61		
Howard City.....	Memphis, Tenn.....	96	74	62½	48½	40½	34	24	35	24	21	28	54	48		
	New Orleans, La.....	121	99	82½	63½	50½	44	34	47	34	29	36	69	63		
Owensdale.....	Memphis, Tenn.....	97	75	63	49	41	35	25	36	25	22	29	55	50		
	New Orleans, La.....	122	100	83	64	51	45	35	48	35	30	37	70	65		
Clare.....	Memphis, Tenn.....	100	78	66	51	43	35½	25½	36½	25½	22½	29½	55½	51		
	New Orleans, La.....	125	103	86	66	53	45½	35½	48½	35½	30½	37½	70½	66		
Cadillac.....	Memphis, Tenn.....	102	79	66	51	43	36	26	37	26	23	30	56	52		
	New Orleans, La.....	127	104	86	66	53	46	36	49	36	31	38	71	67		
Traverse City.....	Memphis, Tenn.....	108½	85	70½	54	45	38	28	38	28	25	32	58	56		
	New Orleans, La.....	133½	110	90½	69	55	48	38	51	38	33	40	73	71		
Cheboygan.....	Memphis, Tenn.....	111	87	73	56	47	39	29	40	29	26	33	59	53		
	New Orleans, La.....	136	112	93	71	57	49	39	52	39	34	41	74	73		
Manistique ⁶	Memphis, Tenn.....	88	67½	57	44½	38	32	22	33	22	19	26	51	44		
	New Orleans, La.....	113	92½	77	59½	48	42	32	45	32	27	34	66	59		
Kentucky.....	Memphis, Tenn.....	87	70	63	46	39	33	23	34	23	20	28	55	46		
	New Orleans, La.....	110	93	81	60	48	42	31	45	30	25	35	67	53		

¹Wherever a carload (or less-than-carload) commodity rate is established, it removes the application of the class rate to and from the same points on that commodity, in carload quantities (or less-than-carload quantities, as the case may be).

²Governed by the Southern Classification.

³Class-D rates do not apply on shipments of hay, carloads. Combination of locals applies.

⁴Per barrel.

⁵Rates shown herein do not apply from Evansville, Ind., proper. For rates refer to Agent M. P. Washburn's I. C. C. No. 86, supplements thereto and reissues thereof.

Group 3.—Nashville, Tenn., rates apply from such other points as may be otherwise provided for.

Group 4.—Evansville, Ind., rates apply from Henderson, Ky., Owensboro, Ky., and such other points as may be otherwise provided for.

Group 5.—Cincinnati rates apply from Arlington Heights, Ohio, Aurora, Ind., Carthage, Ohio, Covington, Ky., Delhi, East Norwood, Edgemont, Elmwood Place, Hartwell, Ivorydale, and Ivorydale Junction, Ohio, Lawrenceburg, Ind., Lockland and Longview, Ohio, Lexington, Ky., Maplewood (Hamilton Co.), North Bend, and Steelton, Ohio, Newport, Ky., and such other points as may be otherwise provided for.

Group 6.—Indianapolis rates apply from Maysville, Ky., and from such other points as may be otherwise provided for. Indianapolis rates also apply from Ashland, Ky., and Ironton and Portsmouth, Ohio, except that on iron articles, including nails, but not including iron and steel rails, the rates are the same as from Cincinnati, Ohio.

Group 7.—Springfield rates apply from points in the following territory: Commencing at Springfield, Ill., thence on and south of the line of the Illinois Central Railroad, through Clinton, Ill., to and including Decatur, Ill.; thence on and south of the line of the Chicago, Indiana & Western Railway, through Tuscola and Chrisman, Ill., to the Indiana-Illinois State Line; thence west of the Indiana-Illinois State Line to the line of the Baltimore & Ohio Southwestern Railroad; thence north of the line of the Baltimore & Ohio Southwestern Railroad, via Olney, Flora, and Odin, Ill., to but not including East St. Louis, Ill.; thence on and east of the line of the St. Louis, Keokuk & Northwestern Railroad to and including Hannibal, Mo.; and thence on and south of

the line of the Wabash Railroad, through Chapin, to Springfield, Ill., inclusive.

Group 8.—Peoria rates apply from points in the following territory: Commencing at Peoria, Ill., thence on and south of the line of the Chicago, Burlington & Quincy Railroad to and including Burlington, Iowa; thence south of the line of the St. Louis, Keokuk & Northwestern Railroad to but not including Hannibal, Mo.; thence north of the line of the Wabash Railroad to Springfield, Ill.; thence north of the line of the Illinois Central Railroad, via Clinton, to but not including Decatur, Ill.; thence north of the line of the Chicago, Indiana & Western Railway to the Indiana-Illinois State Line; thence west of the Indiana-Illinois State Line to the line of the Toledo, Peoria & Western Railway; and thence on and south of the line of the Toledo, Peoria & Western Railway to Peoria, Ill., inclusive.

Group 9.—Chicago rates apply from points in the following territory: Commencing at Chicago, thence via the west bank of Lake Michigan to the Indiana-Illinois State Line; thence west of the Indiana-Illinois State Line to the line of the Toledo, Peoria & Western Railway; thence north of the line of the Toledo, Peoria & Western Railway to but not including Peoria, Ill.; thence north of the line of the Chicago, Burlington & Quincy Railroad to a point just north of Burlington, Iowa; thence via the west bank of the Mississippi River, through Clinton, Lyons, and Sabula, Iowa, to and including Savanna, Ill.; thence on and south of the line of the Chicago, Milwaukee & St. Paul Railway to and including Freeport, Ill.; thence on and south of the line of the Chicago & North Western Railway, through Rockford and Belvidere, Ill., to Elgin, Ill., including Dundee, Elgin, Carpentersville, and Algonquin, Ill.; and thence

on and south of the Chicago, Milwaukee & St. Paul Railway to Chicago, inclusive.

Group 10.—Milwaukee rates apply from points in the following territory: Commencing at Milwaukee, Wis., thence on and south of the line of the Chicago, Milwaukee & St. Paul Railway, through Brookfield Junction, Wis., to and including Waukesha, Wis.; thence on and east of the line of the Wisconsin Central Railway to and including Leighton, Ill.; thence on and east of the line of the Elgin, Joliet & Eastern Railway to but not including Spaulding, Ill.; thence north of the line of the Chicago, Milwaukee & St. Paul Railway to Chicago; and thence via the west bank of Lake Michigan to Milwaukee, inclusive; also from points on the line of the Illinois Central Railroad from Dubuque to but not including Freeport, Ill., and north of Freeport to Dodgeville and Madison, Wis., inclusive.

(b) Grouping of Central Freight Association Territory

Rates from other points in Central Freight Association Territory are made with relation to the rates established under the basis set forth in the preceding pages. In the following description of the groups is given the basis for the construction of the rates.

Group A: Indianapolis Territory.—Indianapolis territory is described as follows: From points on and south of the Cincinnati, Hamilton & Dayton Railway, beginning at a point on the Illinois-Indiana State Line, to and including Indianapolis, Ind.; thence east via the Pittsburgh, Cincinnati, Chicago & St. Louis Railway, through New Paris, Ohio, to Dayton, Ohio; thence via the Cleveland, Cincinnati, Chicago & St. Louis Railway to Springfield; thence via the Detroit, Toledo & Ironton Railway to Washington Court House; thence

via the Cincinnati, Hamilton & Dayton Railway to Musselman's; thence via the Cincinnati, Hamilton & Dayton Railway to and including Ironton and Portsmouth, Ohio, Ashland, Ky., (with exception named below) and Wellston, Ohio; thence via the north bank of the Ohio River (not including Cincinnati and Jeffersonville) to a point just north of New Albany; thence on the line of the Chicago, Indianapolis & Louisville Railway to its junction with the Baltimore & Ohio Southwestern Railroad at Mitchell, Ind.; thence via the Baltimore & Ohio Southwestern Railroad to but not including Vincennes; and thence north via the Indiana-Illinois State Line to the point of beginning.

Exceptions.—From Arlington Heights, Ohio, Aurora, Ind., Carthage, Cincinnati, Delhi, East Norwood, Edgemont, Elmwood Place, Hartwell, Ivorydale, and Ivorydale Junction, Ohio, Jeffersonville and Lawrenceburg, Ind., Lockland, Longview, Maplewood (Hamilton Co.), North Bend, and Steelton, Ohio, the Cincinnati, Ohio, rates apply, except from Jeffersonville, Ind., from which St. Louis-Louisville rates apply.

The rates from the Indianapolis group apply from the following points:

Chesapeake & Ohio Railway:

Stations between Kenova, W. Va., and Fort Thomas, Ky. (except Ashland, Ky., and Ironton and Portsmouth, Ohio, on iron articles, including nails, but not including iron or steel rails).

Through rates from Group A are the same as from Indianapolis, Ind.

Group B: Fort Wayne-Columbus Territory.—Fort Wayne-Columbus territory is described as follows: From points north of the boundary line of Group A, east of the Illinois-Indiana State Line, south of Lake Michigan and the Michigan state line, to its intersection

with the Indiana-Ohio state line (but not including points on and south of the Michigan Central Railroad from New Buffalo to South Bend via Niles); thence via that line to where it is crossed by the Baltimore & Ohio Railroad; thence south of the line of the Baltimore & Ohio Railroad and east through Defiance and Deshler; thence south of the line of the Cincinnati, Hamilton & Dayton Railway to Findlay; thence south of the line of the Cleveland, Cincinnati, Chicago & St. Louis Railway to Carey; thence south of the Northern Ohio Railway to Sycamore; thence south of the line of the Toledo & Ohio Central Railway to Bucyrus; thence south of the line of the Pittsburgh, Fort Wayne & Chicago Railway to Mansfield; thence west of the line of the Baltimore & Ohio Railroad, through Mt. Vernon, Newark, Junction City, and Glouster; thence west of the Kanawha & Michigan Railway to and including Athens; and thence via an imaginary line to a point on the north bank of the Ohio River just east of Pomeroy, following the north bank of the Ohio River to the point of intersection with Group 1.

Through rates from Group B are the same as from Chicago, Ill.

Group C: Vincennes Territory.—Except as hereinafter named, Vincennes territory is described as follows: Beginning at Vincennes, Ind., thence south of the line of the Baltimore & Ohio Southwestern Railroad to but not including Mitchell, Ind.; thence south of the Chicago, Indianapolis & Louisville Railway to New Albany, Ind.; thence west of and including the main line of the Southern Railway to the Indiana-Illinois State Line (including points on the branches of the Southern Railway from Jasper to but not including Evansville, Ind., Lincoln City to Rockport, Ind., inclusive, and from

Lincoln City to Cannelton, inclusive); and thence via that line to the point of beginning.

This description does not include stations in Indiana on and south of the line of the Southern Railway from Mt. Carmel to Louisville, through New Albany, Ind., and points located on the Evansville & Terre Haute Railroad at and south of its intersection with the St. Louis Division of the Southern Railway. The Southern Railway has also announced its purpose to establish from Oakland City and Princeton, Ind., to Memphis, New Orleans, and group, etc., the St. Louis basis of rates, including all commodities, except that from Princeton, Ind., to the same points on articles and on Classes C, D, and F, it will continue the use of the Evansville rates. From all local points on the St. Louis Division of the Southern Railway east of Mt. Carmel, the Southern Railway will employ the St. Louis basis of rates. The Evansville & Terre Haute Railroad has announced that it will hold from its junction with the Southern Railway the same rates as those published by the Southern Railway, and from stations south thereof the present basis of rates will obtain.

Through rates from Group C are the same as from the St. Louis-Louisville group.

Group D: Evansville Territory.—Evansville territory is described as follows: East of the Illinois-Indiana State Line, south and west of the boundaries of Group C and on the north bank of the Ohio River, except as provided for in Group C.

Through rates from Group D are the same as from Evansville, Ind.

Group E: Detroit-Toledo Territory.—Detroit-Toledo territory is described as follows: North of the northern boundary line of Group B, east of Lake Michigan and following the eastern boundary of the lake to and includ-

ing Montague; thence beginning at Muskegon, following the line of the Toledo, Saginaw & Muskegon Railway to Sheridan; thence north and east along the line of the Detroit, Grand Rapids & Western Railroad via Edmore to Saginaw; thence north to and including Bay City and West Bay City; thence via the Michigan Central Railroad to Vassar (including Caro); thence via the Flint & Pere Marquette Railway to Port Huron; thence via the eastern boundary of Michigan to its intersection with the northern boundary of Ohio; thence south of Lake Erie to but not including Sandusky; thence west of a line drawn from Sandusky west of the Baltimore & Ohio Railroad, through Chicago Junction, to Mansfield.

Through rates from Group E are the same as from Milwaukee, Wis.

Group F: Buffalo-Pittsburgh Territory.—Buffalo-Pittsburgh territory is described as follows: Beginning at Sarnia, Ont., thence via Kings Court Junction to London, Ont.; thence via the main line of the Grand Trunk Railway System to Suspension Bridge, Can.; thence via Suspension Bridge, N. Y., LaSalle, Tonawanda, Black Rock, International Junction, and East Buffalo to Buffalo, N. Y.; thence south of the line of the Buffalo, Rochester & Pittsburgh Railway from Buffalo to Bradford (not including Bradford); thence south of the Buffalo & Allegheny Division of the Pennsylvania Railroad from Bradford to Morrison (not including Bradford or Morrison); thence on and south of the Buffalo & Allegheny Division of the Pennsylvania Railroad to Pittsburgh; thence via the Baltimore & Ohio Railroad to Wheeling, W. Va.; thence via both banks of the Ohio River to the intersection with the boundary of Group B; thence east of the boundary line of Group B to and including Mansfield, Ohio; and thence east of

the eastern boundary of Group E to Sandusky, Ohio, including Sandusky.

The rates from the Buffalo-Pittsburgh group apply from the following points:

Baltimore & Ohio Railroad:

Stations on Pittsburgh Division east of Glenwood to Jacob's Creek, latter inclusive.

Chesapeake & Ohio Railway:

Stations between Kanawha, W. Va., and Ceredo, W. Va., inclusive.

Pennsylvania Railroad:

Stations on Buffalo & Allegheny Valley Division, Buffalo to and including Ebenezer, Pa.

Stations on main line, Homewood to Latrobe, Pa., inclusive.

Stations on West Pennsylvania Division north of Allegheny Valley Railway Junction to Edri, Pa. latter inclusive.

Stations on Southwest Pennsylvania Railway, East Greensburg to New Stanton, Pa., both inclusive.

Stations on Radebaugh Branch.

Stations on Turtle Creek Valley Railroad.

Stations on Monongahela Division east of Ormsby to Belle Vernon, Pa., latter inclusive.

Stations on McKeesport & Bessemer Railroad.

Pittsburgh & Lake Erie Railroad:

Stations on Youghiogheny Division, Beck's Run to Whitsett Junction, Pa., both inclusive.

Stations on Monongahela Division, Reynoldton to Belle Vernon, Pa., both inclusive.

Ohio Central Lines:

Stations Point Pleasant to Charleston, W. Va., inclusive.

Through rates from Group F are the same as from Milwaukee, Wis.

Table 55 gives the differentials to be used in connection with the rates set forth in the preceding pages in establishing rates from certain other groups in Northern Michigan in Central Freight Association Territory.

TABLE 55
DIFFERENTIALS FROM NORTHERN MICHIGAN

FROM GROUPS	DIFFERENTIALS OVER THE DETROIT-TOLEDO GROUPS EXCEPT AS NOTED													
	Differentials in Cents per 100 Pounds Except as Noted													
	Classes ¹													
	1	2	3	4	5	6	A	B	C	D	E	H	F ²	
Howard City.....	5	4	3½	2½	1½	1	1	1	1	1	1	1	1	2
Owendale.....	6	5	4	3	2	2	2	2	2	2	2	2	2	4
Clare.....	9	8	7	5	4	2½	2½	2½	2½	2½	2½	2½	2½	5
Cadillac.....	11	9	7	5	4	3	3	3	3	3	3	3	3	6
Traverse City.....	17½	15	11½	8	6	5	5	5	5	5	5	5	5	10
Cheboygan.....	20	17	14	10	8	6	6	6	6	6	6	6	6	12
Manistique ³	3	2½	2	1½	1	1	1	1	1	1	1	1	1	2

¹Governed by the Southern Classification.

²Per barrel.

³Over Ft. Wayne-Columbus group; applicable only on traffic destined beyond.

CHAPTER XVI

MISSISSIPPI VALLEY RATE TERRITORY—Continued

1. ADJUSTMENT FROM POINTS IN SOUTHERN TERRITORY TO NEW ORLEANS, LA.

From Chattanooga, Tenn.—The rates are not less than the rates from Nashville, Tenn.

From Atlanta, Ga.—Specific rates on the classes are made, which are not less in any case than the rates from Chattanooga. The commodity rates are the same as those from Chattanooga.

From Augusta, Ga.—The rates are made the following differentials over the rates from Atlanta:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.....	3	3	3	2	2	2	2	2	2	2	2	2	4

From Macon, Ga.—The rates are made the same as those from Atlanta.

From Savannah, Ga., and points taking the same rates.—The rates are made the following differentials less than the rates from the Virginia Cities:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.....	8	7	6	5	4	4	2	3	3	2	4	5	4

The commodity rates are made 2 cents less than the rates from the Virginia Cities.

From Birmingham, Ala.—The rates are made the following differentials less than the rates from Chattanooga:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.....	6	5	4	4	3	3	2	2	2	2	2	2	4

The commodity rates are made 2 cents less than the rates from Chattanooga.

From Montgomery and Selma, Ala.—The rates are made the same as those from Birmingham, except that to Mobile the rates are made to meet the competition on the Alabama River.

From Decatur, Florence, Sheffield, and Huntsville, Ala.—The rates are made the same as those from Nashville.

Other common points in the southeast are given rates in relation to those at Atlanta, Macon, Chattanooga, etc., as above described.

From non-competitive points in the southeast, the rates are generally made on the lowest combination, but not in excess of the mileage scales of a continuous line between the point of origin and destination. Again, there are exceptions in the rates on commodities manufactured or produced at local points in competition with those having more favorable transportation facilities, which are given competitive rates, usually the same as the corresponding ones from some adjacent common point.

2. COMMODITY RATES

(a) *From Ohio River Points and Related Territory*

While the commodity rates from the St. Louis-Louisville group to New Orleans were established on the same basis as the class rates, that is, with relation to water competition, the commodity rates from other points have been worked out on a different basis.

The scale for computing commodity rates, shown in Table 56, together with explanatory notes, will explain the method of arriving at commodity rates. The num-

bers at the top of the table refer to the groups listed below the table.

TABLE 56

BASIS FOR CONSTRUCTION OF COMMODITY RATES TO NEW ORLEANS, LA.

1	2	3	4	GROUPS		7	8	9	10
				5	6				
7	..	..	5	8	..	9	10	13	15
8	..	..	6	9	10	10	11	14	16
9	..	..	7	10	11	11	12	15	17
10	5	5	8	11	12	12	13	16	18
11	6	6	9	12	13	13	14	17	19
12	7	7	10	13	14	14	15	18	20
13	8	8	11	14	15	15	16	19	21
14	9	9	12	15	16	16	17	20	22
..	..	..	..	16	..	..	..	..	..
15	10	10	13	17	17	17	18	21	23
16	11	11	14	18	18	18	19	22	24
17	12	12	15	19	19	19	20	23	25
18	13	13	16	20	20	20	21	24	26
19	14	14	17	21	21	21	22	25	27
20	15	15	18	22	22	22	23	26	28
21	16	16	19	23	23	23	24	27	29
22	17	17	20	24	24	24	25	28	30
23	18	18	21	25	25	25	26	29	31
24	19	19	22	26	26	26	27	30	32
..	..	..	..	..	..	27	28	..	..
25	20	20	23	27	27	28	29	..	..
26	21	21	24	28	28	29	30	31	33
27	22	22	25	29	29	30	31	32	34
..	..	..	..	30	30	..	..	..	..
28	23	23	26	31	31	31	32	33	35

Group 1.—St. Louis-Louisville.

Group 2.—Cairo, Ill.

Group 3.—Nashville, Tenn.

Group 4.—Evansville, Ind.

Group 5.—Cincinnati, Ohio.

Group 6.—Indianapolis, Ind.

Group 7.—Springfield, Ill.

Group 8.—Peoria, Ill.

Group 9.—Chicago, Ill.

Group 10.—Milwaukee, Wis.

NOTES EXPLAINING APPLICATION OF DIFFERENTIAL SCALE FOR COMPUTING COMMODITY RATES

NOTE 1.—The rates shown are in cents per 100 pounds.

NOTE 2.—When a rate is made from any basing point, the figures in the same line across the page are the rates from the other basing points to the same destination. To illustrate, if a

rate of 26 cents per 100 pounds is made on any commodity from St. Louis or Louisville to New Orleans, the rates from other points are: From Cairo, 21 cents; Nashville, 21 cents; Evansville, 24 cents; Cincinnati, 28 cents; Indianapolis, 28 cents; Springfield, 29 cents; Peoria, 30 cents; Chicago, 31 cents; Milwaukee, 33 cents. If the rate is first made 31 cents from Chicago, the rates from other basing points are those named in this note, by the application of the same rule.

NOTE 3.—In applying the differential scale, where a blank occurs the first figure beneath such blank and in the same column is the rate to be used. Illustration: If a rate of 16 cents be established from Cincinnati to New Orleans on any commodity, the rate from Louisville to New Orleans on the same commodity would be 15 cents, which is the first figure in the Louisville column beneath the blank space appearing in the same line across the page opposite 16 cents from Cincinnati.

NOTE 4.—When rates with fractions are made from any basing point, the same fraction is added to the rates from other basing points, except that this rule does not make from any basing point a higher rate than that opposite a figure from the first basing point which is higher than the rate to which the fraction was first added. Illustration: If a rate of $15\frac{1}{2}$ cents per 100 pounds is first established from Cincinnati to New Orleans, the rate from Nashville to New Orleans is $9\frac{1}{2}$ cents; but if a rate of $10\frac{1}{2}$ cents is first established from Cincinnati to New Orleans, the rate from Nashville to New Orleans is not $5\frac{1}{2}$ cents, but 5 cents, which is the rate from Nashville opposite the rate from Cincinnati next higher than the rate to which the fraction was first added.

NOTE 5.—When a rate is made per barrel, per ton, or per car, such rate is to be reduced to cents per 100 pounds (carrying the decimal to hundredths) and the rule in Note 2 applied to ascertain the rates from other basing points; the rates so determined should then be computed per barrel, per ton, or per car, as the case may be, to correspond with the rate from the point from which it was first made. Illustration: If a rate of \$3.00 per ton of 2,000 pounds, which is equivalent to 15 cents per 100 pounds, is made from St. Louis

or Louisville to New Orleans, the rates from other points are: From Cairo and Nashville, \$2.00; from Evansville, \$2.60, etc.

When a rate per gross ton of 2,240 pounds or per long ton of 2,268 pounds is made from any basing point, such rate should be reduced to cents per 100 pounds (carrying the decimal to hundredths) and corresponding rates, according to Note 2, applied from other basing points, observing the rule in Note 4 as to the use of fractions. Illustration: If a rate of \$3.00 per ton of 2,240 pounds, which is equivalent to 13.39 cents per 100 pounds, is made from St. Louis or Louisville to New Orleans, the rates (per ton of 2,240 pounds) from other basing points are: From Cairo and Nashville, \$1.88 (8.39 cents per 100 pounds); from Evansville, \$2.55 (11.39 cents per 100 pounds); from Cincinnati, \$3.22 (14.39 cents per 100 pounds); from Indianapolis and Springfield, \$3.45 (15.39 cents per 100 pounds); from Peoria, \$3.67 (16.39 cents per 100 pounds); from Chicago, \$4.34 (19.39 cents per 100 pounds); from Milwaukee, \$4.79 (21.39 cents per 100 pounds).

EXCEPTIONS TO NOTE 5.—The rules in Note 5 do not apply in making rates per car on live stock.

NOTE 6.—Basis for carload rates on live stock: In making rates on live stock from defined territories north of the Ohio River and east of the Mississippi River, the following rule applies: Take St. Louis and Louisville as a basis (the rates from those points to be considered as applying for an estimated weight of 20,000 pounds per car); reduce the carload rate to cents per 100 pounds, and then apply the differential scale as provided in Note 2, the rates thus fixed in cents per 100 pounds on the differential scale to be established per carload on the basis of estimated weight of 20,000 pounds.

In Table 57 are given some representative commodity rates currently in effect from St. Louis, Mo., to New Orleans, La. It should be understood in connection with these rates and all others shown in these treatises that in case of actual use they should be confirmed by inquiring of the interested carrier.

TABLE 57

COMMODITY RATES FROM ST. LOUIS, MO., TO NEW ORLEANS, La.

COMMODITY	RATE IN CENTS
Agricultural implements, C. L., min. wt. 20,000 lbs., viz.: Corn planters, cotton choppers, cotton planters, cultivators, field rollers, grain drills, guano distributors, harrows, plows, potato diggers, potato planters, seed sowers (not hand), stalk cutters (field), transplanters, and parts thereof when shipped in carloads with implements named.....	35
Asphalt (asphaltum), natural or by product, solid, C. L., min. wt. 40,000 lbs., and liquid other than paint, stain, or varnish, in barrels or iron drums, min. wt. 40,000 lbs..	18
Cement, portland or natural, in barrels or sacks, C. L., min. wt. 40,000 lbs. (in cents per ton of 2,000 lbs.).....	12½
Coal, C. L., min. wt. capacity of car (in cents per ton of 2,000 lbs.).....	340
Food preparations, viz.: Oatmeal, rolled oats, rolled, cracked, crushed, or flaked wheat, flaked rye, flaked, rolled, and pearl barley, hominy grits, and flaked hominy, packed or in barrels, kegs, drums, and half barrels or in cotton or gunny sacks: C. L.	18
L. C. L.	30
Iron and steel articles: Rails, C. L., min. wt. 20 gross ton (in cents per ton of 2,240 lbs.).....	265
Railroad track material, viz.: Chains, cross ties, clamps, or fastenings, steel; frog fillings, frog nut locks and spikes, splice bars, switch chains, switches, switch stands, tie plates, track bolts, track brans, track nuts, washers, C. L., min. wt. 24,000 lbs....	522
Leather sole, in boxes, rolls, or burlapped bales, L. C. L.	65
Pipe sewer, min. wt. 25,000 lbs.	18
Soap and washing powders, any quantity.	25
Soap, in boxes or barrels, agreed to be of value of not exceeding 5 cents per lb. and so expressed in bills of lading, C. L., min. wt. 30,000 lbs.	25
L. C. L.	33
Starch, C. L., min. wt. 30,000 lbs.	30
Tar and pitch, C. L., min. wt. 40,000 lbs.	20
Wool (mineral), C. L., min. wt. 24,000 lbs.	35

3. APPLICATION OF COMMODITY RATES

(a) *From Ohio River Points and Related Territory*

These groups are the same as those shown in connection with class rates.

(b) From Central Freight Association Groups

These groups are the same as those shown in connection with class rates.

4. RATES TO GULF PORTS AND MISSISSIPPI RIVER POINTS MADE WITH RELATION TO RATES TO NEW ORLEANS

The rates from the St. Louis-Louisville group to New Orleans having been established, the New Orleans basis of rates was established to other Gulf ports and Mississippi River points as follows:

To Mobile, Ala.—The same causes that brought about the rates to New Orleans influenced the rates to Mobile, Ala., viz., active water competition via the Mississippi River, the Mississippi Sound, and the Gulf of Mexico.

To Gulfport, Miss.—This port is located on the Louisville & Nashville Railroad from Louisville to New Orleans, almost midway between Mobile and New Orleans. It competes with Mobile, Ala., for export and import traffic, and the similarity of position and transportation conditions justified the application of the same rates as to Mobile.

To Baton Rouge and Bayou Sara, La., Dickerson, Friar's Point, Greenville, Natchez, Rosedale, and Session, Miss., Slidell, La., Vicksburg, Miss., and Vidalia, La.—The above points are located on or adjacent to the Mississippi River, and the same water competition that has necessitated the rates to New Orleans has prevented the maintenance of higher rates to the Mississippi River points named above.

In addition to the points enumerated above, the New Orleans basis of rates is applied to quite a number of local stations in the vicinity of New Orleans on the Texas & Pacific Railway, Louisiana Railway & Naviga-

tion Company, Morgan's Louisiana & Texas Railroad & Steamship Company, Mobile & Ohio Railroad, New Orleans, Texas & Mexico Railroad, and Yazoo & Mississippi Valley Railroad.

These points enjoy the New Orleans rates on account of their proximity to the Mississippi River and streams tributary thereto.

To Pensacola, Fla.—The rates to Pensacola, Fla., are the same as the rates to Mobile, Ala., except from Cairo, Ill., from which point they are the following differentials higher than the rates to Mobile:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.....	12	9	7	6	5	4	2	4	4½	5	5	7	9

CHAPTER XVII

CONSTRUCTION OF RATES FROM ST. LOUIS, MO., OHIO RIVER CROSSINGS, AND RELATED POINTS

1. ADJUSTMENT TO MEMPHIS, TENN.

As in the case of New Orleans, the rates from St. Louis to Memphis were fixed, primarily, to meet water competition on the Mississippi River, the water rates, to which were added certain differentials, approximating the cost of insurance, etc., being adopted. While today there is water service between St. Louis and Memphis, it is not as important in amount as it was a decade or so ago. The potentiality of the competition, however, has, as in the case of New Orleans, served to keep the rates at substantially not greater than the old level. Again, while there is evidence that in the old days the competition afforded by ocean service between the East and New Orleans, in connection with boat service up the Mississippi River, had some influence in the adjustment of rates from the West, it does not appear to have been a factor in measuring any of the present rates. Some of the commodity rates to Memphis, as they now exist, have been fixed due to various conditions, without regard to water competition, and, as has been stated in connection with the New Orleans rates, the lines operating west of the Mississippi River are a strong influence in the adjustment of rates from St. Louis and the Central West to Memphis.

2. GROUPING OF TERRITORY

In the application of these rates Central Freight Association and Western Trunk Line territories are divided into groups, the description and designation being the same as applied in the New Orleans adjustment from these territories.

3. CLASS RATES

The class rates from the St. Louis-Louisville group, which are used as a basis for the construction of rates from the other groups, are as follows, governed by the Southern Classification:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Rates.....	65	50	45	35	30	25	15	26	15	12	20	42	30

4. APPLICATION OF RATES

(a) From Ohio River Points and Related Territory

From the groups shown in Table 58 through rates are constructed by adding or deducting the differentials set forth in the table to or from the St. Louis-Louisville rates as shown above.

The addition or subtraction of the differentials shown to or from the St. Louis rates will produce the figures shown in Table 59, which are the rates currently in effect.

(b) From Central Freight Association Territory

The rates from other points in Central Freight Association Territory are constructed by adding the same

TABLE 58

DIFFERENTIALS APPLICABLE FROM GROUPS LOCATED ON OR
RELATED TO THE OHIO RIVER

FROM GROUPS	DIFFERENTIALS OVER OR UNDER, AS INDICATED, THE ST. LOUIS-MEMPHIS OR LOUISVILLE-MEMPHIS RATES											
	Differentials in Cents per 100 Pounds Except as Noted											
	Classes ¹											
	1	2	3	4	5	6	A	B	C	D	E	H F ²
Cairo (under).....	15	12	10	8	7	6	4	6	5	3	5	10 10
Nashville (under).....	15	12	10	8	7	6	4	6	5	5	5	10 10
Evansville (under).....	3	3	3	2	2	2	2	2	2½	2	2	3 5
Cincinnati (over) ³	10	10	10	5	5	5	5	4	5	5	4	7 10
Indianapolis (over).....	10	10	10	5	5	5	5	4	5	5	4	7 10
Springfield (over).....	8	8	8	4	4	4	3	4	2	2	3	5 4
Peoria (over).....	14	11	9	6	5	5	4	4	3	3	4	6 6
Chicago (over).....	20	15	10	8	7	6	6	6	6	6	5	8 12
Milwaukee (over).....	26	20	14	11	9	8	8	8	8	8	7	11 16

¹Governed by the Southern Classification.

²Per barrel.

³Not greater per mile than from Louisville.

differentials or applying the same rates as were employed in the New Orleans adjustment. For example, if it is desired to construct rates from the Detroit-Toledo group to Memphis, Tenn., on referring to page 242, Group E, it will be seen that the same rates as are in effect from Milwaukee are to be applied. Accordingly, the rates from Detroit-Toledo will be made the Milwaukee group differentials over the St. Louis rates, resulting in through rates as shown in Table 59.

5. ADJUSTMENT FROM POINTS IN SOUTHERN TERRITORY

From Decatur, Florence, Sheffield, and Huntsville, Ala.—The rates are arbitrarily fixed.

TABLE 59

CLASS RATES TO MEMPHIS, TENN., FROM POINTS ON AND
NORTH OF THE OHIO RIVER

FROM GROUPS	RATES IN CENTS PER 100 POUNDS EXCEPT AS NOTED													
	Classes ¹													
	1	2	3	4	5	6	A	B	C	D ²	E	H	F ³	
St. Louis.....	65	50	45	35	30	25	15	26	15	12	20	42	30	
Cairo.....	50	38	35	27	23	19	11	20	10	7	15	32	20	
Nashville.....	50	38	35	27	23	19	11	20	10	7	15	32	20	
Cincinnati.....	75	60	55	40	35	30	20	31	20	17	24	49	40	
Springfield.....	73	58	53	39	34	29	18	30	17	14	23	47	34	
Peoria.....	79	61	54	41	35	30	19	30	18	15	24	48	36	
Chicago.....	85	65	55	43	37	31	21	32	21	18	25	50	42	
Milwaukee.....	91	70	59	46	39	33	23	34	23	20	27	53	46	
Evansville ⁴	62	47	42	33	28	23	13	24	12½	10	18	39	25	
Vincennes.....	65	50	45	35	30	25	15	26	15	12	20	42	30	
Indianapolis.....	75	60	55	40	35	30	20	31	20	17	24	49	40	
Ft. Wayne- Columbus.....	85	65	55	43	37	31	21	32	21	18	25	50	42	
Detroit-Toledo.....	91	70	59	46	39	33	23	34	23	20	27	53	46	
Cleveland.....	91	70	59	46	39	33	23	34	23	20	27	53	46	
Buffalo- Pittsburgh.....	91	70	59	46	39	33	23	34	23	20	27	53	46	
Howard City.....	96	74	62½	48½	40½	34	24	35	24	21	28	54	48	
Owendale.....	97	75	63	49	41	35	25	36	25	22	29	55	50	
Clare.....	100	78	66	51	43	35½	25½	36½	25½	22½	29½	55½	51	
Cadillac.....	102	79	66	51	43	36	26	37	26	23	30	56	52	
Traverse City.....	108½	85	70½	54	45	38	28	39	28	25	32	58	56	
Cheboygan.....	111	87	73	56	47	39	29	40	29	26	33	59	58	
Manistique ⁵	88	67½	57	44½	38	32	22	33	22	19	26	51	44	
Kentucky.....	87	70	63	46	39	33	23	34	23	20	28	55	46	

¹Governed by the Southern Classification.²Class-D rates named herein do not apply on carload and less-than-carload shipments of hay. A combination of local rates applies. On shipments of mixed carloads of hay, grain, and grain products, a combination of locals applies on the hay, and Class-D rates apply on the grain and grain products.³Per barrel.⁴Rates shown herein do not apply from Evansville, Ind., proper. For rates refer to Agent M. P. Washburn's I. C. C. No. 119, supplements thereto and reissues thereof.⁵Applicable only on traffic originating beyond.

From Knoxville, Tenn.—Specific rates are made which are 2 cents per 100 pounds under the rates from Knoxville to Evansville.

From Atlanta, Ga.—The rates are generally made the same as the rates in the opposite direction.

From Augusta, Ga.—The rates are made the following differentials over the rates from Atlanta:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.....	3	3	3	2	2	2	2	2	2	2	2	2	4

The commodity rates are made 4 cents over the rates from Atlanta.

From Macon and Savannah, Ga., and points taking the same rates as Savannah, Chattanooga, Tenn., Birmingham, Montgomery, and Selma, Ala., and Other Southeastern Common Points.—The rates are made the following differentials under the corresponding rates to Louisville:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.....	4	4	4	4	4	4	4	4	4	4	4	4	8

The commodity rates are made 4 cents under the rates to Louisville.

From Mobile, Ala.—The general adjustment is made the same as the southbound, but rates on various northbound commodities are adjusted on their respective merits.

From west Tennessee and junctions in interior Mississippi Valley Territory, the rates in the reverse direction are generally applied, except on commodities concerning which there are peculiar circumstances differentiating them from the ordinary run, as on lumber, for example. An understanding of such cases may be had from the description hereinafter given.

From local points in Mississippi Valley, Southeastern, and Kentucky-Tennessee territories, the lowest combination is generally employed, except where the local scales of any continuous line make less.

From Carolina Territory, numerous rates are made on a definite relationship with the corresponding rates

from the Virginia Cities; otherwise the general basis is the lowest combination.

Rates from eastern territory to Memphis are made from New York, the Trunk Line relative adjustment applying from other places. These rates reflect water competition down the Ohio and Mississippi rivers from

TABLE 60
BASIS FOR CONSTRUCTION OF COMMODITY RATES TO
MEMPHIS

1	2	3	4	GROUPS		7	8	9	10
				5	6				
..	..	..	..	..	..	..	..	10	12
5	..	..	..	6	9	7	8	11	13
..	..	..	..	7	10	..	..	..	..
6	..	..	..	8	11	8	9	12	14
7	..	..	5	9	12	9	10	13	15
8	..	..	6	10	13	10	11	14	16
..	..	..	..	11	..	..	..	..	..
9	..	..	7	12	14	11	12	15	17
10	5	5	8	13	15	12	13	16	18
11	6	6	9	14	16	13	14	17	19
12	7	7	10	15	17	14	15	18	20
..	..	..	..	16	..	..	..	..	..
13	8	8	11	17	18	15	16	19	21
14	9	9	12	18	..	16	17	20	22
..	..	..	..	..	..	17	18	..	..
15	10	10	13	19	19	18	19	21	23
16	11	11	14	20	20	19	20	..	..
17	12	12	15	21	21	20	21	22	24
18	13	13	16	22	22	21	22	23	25
19	14	14	17	23	23	22	23	24	26
20	15	15	18	24	24	23	24	25	27
21	16	16	19	25	25	24	25	26	28
22	..	..	20	26	26	25	26	27	29
23	17	17	21	27	27	26	27	28	30
24	18	18	22	28	28	27	28	29	31
..	..	..	..	29	29	28	29	30	32
25	19	19	23	30	30	29	30	31	33
26	20	20	24	31	31	30	31	32	34
27	..	..	25	32	32	31	32	33	35
28	21	21	26	33	33	32	33	34	36

Group 1.—St. Louis-Louisville.

Group 2.—Cairo, Ill.

Group 3.—Nashville, Tenn.

Group 4.—Evansville, Ind.

Group 5.—Cincinnati, Ohio.

Group 6.—Indianapolis, Ind.

Group 7.—Springfield, Ill.

Group 8.—Peoria, Ill.

Group 9.—Chicago, Ill.

Group 10.—Milwaukee, Wis.

Pittsburgh, Cincinnati, etc., which was at one time very potent, and to some slight extent the still earlier competition via the ocean and the Mississippi River.

Specific rates are made from the Virginia Cities to Memphis.

6. COMMODITY RATES

(a) From Ohio River Points and Related Territory

The commodity rates to Memphis are made by the use of a differential scale similar to that used in connection with the rates to New Orleans, an illustration of which is shown in Table 60.

See pages 248 to 251 for notes explaining the application of the differential scale for computing commodity rates.

7. APPLICATION OF COMMODITY RATES

(a) Groups From Which Commodity Rates Apply

In the application of the commodity basis the same territorial grouping is employed as is used in connection with the class rates.

8. RATES FROM TRUNK LINE TERRITORY

(a) All-Rail Rates

In the application of rates from Trunk Line and New England territories Memphis, Tenn., is treated as a Mississippi River Crossing and rates are published in accordance with the basis set forth for the construction of rates in Official Classification Territory. This

is due to the fact that the Southern Railway and its eastern connections as well as other lines which operate through Southern Classification Territory are in competition with the Trunk Line and Central Freight Association lines for eastbound and westbound traffic originating in or destined to points west of the Mississippi River and to do so successfully the rates via their routes must be on a parity with those of the northern lines. The current all-rail rates, governed by the Official Classification, are as follows:

Classes....	1	2	3	4	5	6
Rates.....	100	85	65	45	38	32

(b) *Rail-and-Water Rates*

The water lines serving such South Atlantic Ports as Wilmington, N. C., Charleston, S. C., Savannah and Brunswick, Ga., and Jacksonville, Fla., also compete for this traffic and have established a proportional scale of rates from the Eastern Cities to the Mississippi River on traffic destined beyond, which rates are considerably less than the rates of the all-rail lines operating through either Official or Southern classification territories. The present scale is as follows in cents per 100 pounds:

Classes....	1	2	3	4	5	6	R25	R26	R28
Rates.....	72	64	47	36	30	26	54	38	40

These rates are governed by the Official Classification. The rates apply from Boston, Mass., New York, N. Y., Philadelphia, Pa., and Baltimore, Md., and from such points as are shown as taking the same rates in the publications of the water carriers, which vary somewhat from the all-rail grouping of Trunk Line and New England territories shown on Maps 9 and 10 of the Atlas of Traffic Maps.

These rates may be ascribed to the keen competition of recent years between the line and independent water carriers serving the South Atlantic Ports and those operating through the Gulf Ports. In some cases the competition has been so severe that it has been necessary to suspend or cancel the through tariffs and handle the traffic on a combination of rates to and from the ports.

9. FOURTH SECTION ORDERS

Such orders as have been announced by the Interstate Commerce Commission affecting points in the adjustment discussed in this chapter are reproduced in Appendix C.

CHAPTER XVIII

RATES TO INTERIOR MISSISSIPPI VALLEY POINTS

This chapter treats of the bases used in constructing rates to interior points in Mississippi Valley Territory. These interior points are both local and junction points, and, while some of them are not interior points in the sense that they are removed from navigable waterways, their location upon the streams is such that the competition of water carriers from other markets has been greatly minimized.

1. TO LOCAL STATIONS IN MISSISSIPPI VALLEY TERRITORY

Generally speaking, the adjustment of rates to local stations is peculiar to the individual carriers.

In some cases the rates from certain specified basing points, such as Cairo, Ill., and Memphis, Tenn., are fixed and the rates from other points of origin are made by applying the differentials used in making the rates to common points in the vicinity of such local points; in other cases the rates are made certain differentials over the rates to adjacent common points; and in still other cases they are made on the lowest combination.

To illustrate more clearly, a few examples are given of the adjustment to points on a few of the principal roads in the territory.

(a) To Local Stations on the Alabama & Vicksburg Railway and New Orleans & Northeastern Railroad

The class and commodity rates to local stations on the Alabama & Vicksburg Railway and New Orleans & Northeastern Railroad are made by adding the differentials shown in Tables 61 and 62 to the rates to Jackson or Meridian, Miss.

TABLE 61

ADJUSTMENT OF CLASS RATES TO STATIONS ON THE ALABAMA & VICKSBURG RAILWAY AND NEW ORLEANS & NORTHEASTERN RAILROAD FROM OHIO AND MISSISSIPPI RIVER CROSSINGS, NASHVILLE AND CHATTANOOGA, TENN.

To Groups	DIFFERENTIALS IN CENTS PER 100 POUNDS EXCEPT AS NOTED								REMARKS
	Classes ¹								
	1	2	3	4	5	6	A	B	
1 ⁵	10	9	9	7	5	3	3	3	Over rates to Jackson or Meridian, Miss.
2 ⁶	20	17	15	12	9	6	5	5	
3 ⁷	20	17	15	12	9	6	5	5	

TO GROUPS	DIFFERENTIALS IN CENTS PER 100 POUNDS EXCEPT AS NOTED							REMARKS
	Classes ¹							
	C	D ²	D ³	E	H	F ^{2 4}	F ^{3 4}	
1 ⁵	8	3	6	7	7	7	16	Over rates to Jackson or Meridian, Miss.
2 ⁶	12	5	10	12	12	11	24	
3 ⁷	12	5	10	12	12	11	24	

¹Governed by the Southern Classification.

²C. L.

³L. C. L.

⁴Per barrel.

⁵The following stations, located on the Alabama & Vicksburg Railway, comprise

Group 1:

Dixon, Miss.

Clinton, Miss.

Norrell, Miss.

Bolton, Miss.

Champion Hill, Miss.

Edwards, Miss.

Smiths, Miss.

Beechwood, Miss.

Bovina, Miss.

Newmans, Miss.

Military Park, Miss.

*The following stations, located on the Alabama & Vicksburg Railway, comprise Group 2:

Lost Gap, Miss.	Thomas Spur, Miss.	Pelahatchie, Miss.
Grahams, Miss.	Lawrence, Miss.	Milroy, Miss.
Meehan Jct., Miss.	Lake, Miss.	Gulde, Miss.
Point, Miss.	Broach, Miss.	Rankin, Miss.
Chunky, Miss.	Schryver, Miss.	Lackey, Miss.
Ragland, Miss.	Muskegon, Miss.	Brandon, Miss.
Weatherford, Miss.	Forest, Miss.	Rice Hill, Miss.
Hickory, Miss.	Raworth, Miss.	Greenfield, Miss.
Paula, Miss.	Kalem Spur, Miss.	Howell, Miss.
Skinner and Simmons, Miss.	Morton, Miss.	Pearsons, Miss.
	Clarksburg, Miss.	

*The following stations, located on the New Orleans & Northeastern Railroad, comprise Group 3:

Arundel, Miss.	Durham, Miss.	Poplarville, Miss.
Savoy, Miss.	Albertson's Mill, Miss.	Derby, Miss.
Bullard, Miss.	Norman, Miss.	Tyler, Miss.
Basic, Miss.	Eastabutchie, Miss.	Millard, Miss.
Wautubbie, Miss.	Gunn Spur, Miss.	Log Spur, Miss.
Beatrice, Miss.	Petal, Miss.	McNeil, Miss.
Pachuta, Miss.	Bon Homme, Miss.	Tate, Miss.
Barnett, Miss.	Richburg, Miss.	Watson's Spur, Miss.
Vossburg, Miss.	Okahola, Miss.	Carriers, Miss.
Heidelberg, Miss.	Purvis, Miss.	Ozona, Miss.
Haney, Miss.	Harmon, Miss.	Richardson, Miss.
Sandersville, Miss.	Tolowah, Miss.	Rosa, Miss.
Errata, Miss.	Piotona, Miss.	Picayune, Miss.
Hawkes, Miss.	Lumberton, Miss.	Nicholson, Miss.
Anderson, Miss.	Red Top, Miss.	Benton, La.
Alice, Miss.	Hatten Spur, Miss.	Honey Island, La.
Tawanta, Miss.	Hillsdale, Miss.	Pearl River, La.
Moselle, Miss.	Orvisburg, Miss.	St. Joe, La.
		Alton, La.

TABLE 62

ADJUSTMENT OF COMMODITY RATES TO STATIONS ON THE ALABAMA & VICKSBURG RAILWAY AND NEW OR- LEANS & NORTHEASTERN RAILROAD

TO GROUPS	DIFFERENTIALS ¹ IN CENTS PER 100 POUNDS EXCEPT AS NOTED												REMARKS
	Commodities in Carloads												
	Cement and Plaster	Fertilizer	Flour, in sacks ²	Lime	Lumber	Ore, Ground Iron	Paint Material	Railroad Track Material ³	Salt	Slate Roofing	Stone	Veneering	
1 ⁴	3	3	3.5	3	3	3	3	60	3	3	3	3	Over rates to Jack- son or Meridian. Miss.
2 ⁵	5	5	5.5	5	5	5	5	100	5	5	5	5	
3 ⁶	5	5	5.5	5	5	5	5	100	5	5	5	5	

¹Governed by the Southern Classification.

²Per ton, 2,240 pounds.

³See footnote 5 to Table 61.

⁴See footnote 6 to Table 61.

⁵See footnote 7 to Table 61.

From Knoxville, Tenn.—The rates are made the following differentials higher than the rates from Chattanooga:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.....	12	9	7	6	5	4	3	3	3	3	3	3	6

From Birmingham, Ala.—The rates are made the following differentials less than the rates from Chattanooga, but do not exceed the lowest combination.

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.....	6	5	4	4	3	3	2	2	2	2	2	2	4

The commodity rates are made 2 cents less than the rates from Chattanooga.

To stations on the New Orleans & Northeastern Railroad between Slidell and New Orleans, La., the rates are the same as those to New Orleans.

From Montgomery and Selma, Ala.—The rates are made on the lowest combination, with Birmingham rates as maxima. To stations on the New Orleans & Northeastern Railroad between Slidell and New Orleans, the rates are the same as those to New Orleans.

From Dalton, Rome, and Atlanta, Ga.—The rates are the same as those from Chattanooga, with the lowest combination as maxima, except that from Atlanta to stations between Slidell and New Orleans the rates are the same as those to New Orleans.

From Athens and Augusta, Ga.—To stations on the Alabama & Vicksburg Railway the rates are made the following differentials higher than the rates from Atlanta:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.....	5	5	4	4	3	3	2	2	2	2	3	4	4

The commodity rates are made 2 cents over the rates from Atlanta.

To stations on the New Orleans & Northeastern Railroad the rates are made the following differentials higher than the rates from Atlanta:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.....	3	3	3	2	2	2	2	2	2	2	2	2	4

The commodity rates are made 2 cents over the rates from Atlanta.

From Columbus, Ga., and Southeastern Points Not Shown Above, as well as from Local Points in the Same Territory.—The general basis is the lowest combination.

From Trunk Line, Central Freight Association, and Western Territories.—The lowest combination generally prevails.

(b) *To Local Stations on the Illinois Central Railroad*

In adjusting rates from St. Louis, Chicago, and various other points in Illinois reached by the Illinois Central Railroad, and from the Ohio River, Memphis, etc., the local adjustments of this line prevail, in which the mileage scales, with the lowest combination as maxima, are the principal factors. Generally speaking, however, there is a defined relationship, as, for example, the rates from Louisville and St. Louis are kept on an equal plane; both have rates which are differentials higher than the rates from Cairo and Paducah; Chicago has a fixed relationship with St. Louis and Cairo, and the minimum rates carried from Nashville are those from Cairo.

The class rates from Cairo having been fixed, the class rates from other points of origin are made certain differentials over the rates from Cairo.

TABLE 63

DIFFERENTIALS USED IN CONSTRUCTING CLASS RATES FROM
POINTS NAMED TO LOCAL STATIONS ON THE
ILLINOIS CENTRAL RAILROAD

FROM	DIFFERENTIALS IN CENTS PER 100 POUNDS EX- CEPT AS NOTED										REMARKS
	Classes ¹										
	1	2	3	4	5	6	A	B			
							C.L.	L.C.L.	C.L.	L.C.L.	
Memphis.....	17	14	12	10	9	8	5	5	6	6	Under Cairo rates
Evansville	34	29	24	18	13	11	8	8	7	7	Over Cairo rates
Louisville	34	29	24	18	13	11	10	10	9	9	
St. Louis.....	34	29	24	18	13	11	10	10	9	9	
Cincinnati	43	37	32	25	19	16	14	14	12	12	
Peoria.....	42	35	30	23	17	15	12	12	12	12	
Indianapolis.....	42	35	30	23	17	15	12	12	12	12	
Chicago.....	45	37	32	25	19	16	14	14	16	16	
Milwaukee.....	6	5	4	3	2	2	2	2	2	2	Over Chicago rates

FROM	DIFFERENTIALS IN CENTS PER 100 POUNDS EX- CEPT AS NOTED								REMARKS
	Classes ¹								
	C	D	E	H	F ²				
	C.L.	L.C.L.	C.L.	L.C.L.	C.L.	L.C.L.	C.L.	L.C.L.	
Memphis	5	5	4	4	8	11	10	10	Under Cairo rates
Evansville	5	5	3	3	8	10	10	10	Over Cairo rates
Louisville	7	7	5	5	10	12	14	14	
St. Louis	7	7	5	5	10	12	14	14	
Cincinnati	12	12	10	9	14	16	24	24	
Peoria	11	11	10	10	13	17	22	22	
Indianapolis	11	11	10	10	13	17	22	22	
Chicago	13	13	11	11	14	17	26	26	
Milwaukee	2	2	2	2	2	2	4	4	Over Chicago rates

¹Governed by the Southern Classification.

²Per barrel.

For example, the class rates from Cairo to Canton, Miss., are as follows:

Classes.....	1	2	3	4	5	6						
Rates.....	89	71	59	50	43	38						
Classes.....	A		B		C		D		E	H	F	
Rates.....	C.L.	L.C.L.	C.L.	L.C.L.	C.L.	L.C.L.	C.L.	L.C.L.	42	48	C.L.	L.C.L.
	28	33	34	39	29	34	22	26			47	56

The class rates from Evansville, Ind., are constructed by adding the differentials shown in Table 63 to the class rates from Cairo, Ill.

From Chattanooga, Tenn.—To stations between Cairo, Ill., and Grand Junction, Tenn., the rates are made the following differentials higher than the rates from Nashville:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F	K	L	M	N	O	P
Differentials ..	10	10	10	10	10	10	10	10	10	10	10	20	5	5	5	5	5	5	5

To stations south of Grand Junction (except the Memphis Branch), the minimum rates are the same as those from Nashville, except that the rates from Nashville made on combination do not apply from Chattanooga. The lowest combination is not exceeded.

To stations between Memphis and Grenada, Miss., the rates are made the following differentials less than the rates from Louisville:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.....	15	12	10	8	7	6	4	5	5	5	5	10	10

The rates from Chattanooga to Memphis are observed as minima and the lowest combination is observed as maxima. The commodity rates are made 5 cents less than the rates from Louisville.

From Knoxville, Tenn.—The rates are made the following differentials higher than the rates from Chattanooga:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.....	12	9	7	6	5	4	3	3	3	3	3	3	6

From Birmingham, Ala., and Group.—To stations between Cairo and Grand Junction, the lowest combination prevails.

To stations south of Grand Junction, the rates are made the following differentials less than the rates from Chattanooga, but do not exceed the lowest combination.

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.....	6	5	4	4	3	3	2	2	2	2	2	2	4

The commodity rates are made 2 cents less than the rates from Chattanooga.

From Montgomery and Selma, Ala.—The rates are made on the lowest combination.

From Dalton, Rome, and Atlanta, Ga.—To points north of Grand Junction, the rates are made on the lowest combination.

To points south of Grand Junction, the rates are made the same as those from Chattanooga, with the lowest combination as maxima.

From Athens and Augusta, Ga.—To points south of Grand Junction and north of Jackson, Miss., the rates are made the following differentials higher than the rates from Atlanta:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.....	5	5	4	4	3	3	2	2	2	2	3	4	4

The commodity rates are made 2 cents over the rates from Atlanta.

To points south of Jackson, the rates are made the following differentials higher than the rates from Atlanta:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.....	3	3	3	2	2	2	2	2	2	2	2	2	4

The commodity rates are made 2 cents over the rates from Atlanta.

From Macon, Ga.—To stations south of Grand Junction, Tenn., and north of Winona, Miss., the rates are made the following differentials higher than the rates from Atlanta:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.....	5	5	4	4	3	3	2	2	1	1	3	4	2

The commodity rates are made 1 cent over the rates from Atlanta.

To points south of Winona and north of Jackson, Miss., the rates are made the following differentials higher than the rates from Atlanta:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.....	3	3	3	2	2	2	2	2	1	1	2	2	2

The commodity rates are made 1 cent over the rates from Atlanta.

To points south of Jackson, the rates are the same as those from Atlanta.

From Columbus, Ga.—To points south of Grand Junction and north of Winona, the rates are the same as those from Atlanta.

To points south of Winona and north of Jackson, the rates are the same as those from Atlanta, but not higher than the rates from Chattanooga.

To points south of Jackson, the rates are made the following differentials less than the rates from Chattanooga:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.....	4	4	3	3	2	2	2	2	1	1	2	3	2

The commodity rates are made 1 cent less than the rates from Chattanooga.

From Other Southeastern Points.—The rates are adjusted either in relation to the foregoing, or (more generally) on the lowest combination.

From Trunk Line, Central Freight Association, and Western Territories.—The lowest combination is, in the main, the basis of through rates.

(c) *To Stations on the Mobile & Ohio Railroad*

The rates from St. Louis and Cairo are adjusted under the local bases of the Mobile & Ohio Railroad, in which the main factors are the mileage scale and combination.

From Louisville, Ky., and Group.—The rates from St. Louis having been fixed, the rates from Louisville, Ky., and group are made the same as the rates from St. Louis.

From Cincinnati, Ohio, and Group.—To stations north of Jackson, Tenn., the rates are made the following differentials over the rates from Louisville:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F	K	L	M	N	O
Differentials....	13	11	8	7	6	5	4	6	3	3	4	4	6	5	5	5	5	5

To stations south of Jackson, the rates are made the following differentials over the rates from Louisville:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F	K	L	M	N	O
Differentials....	9	8	8	7	6	5	4	5	5	3	4	4	10	2	2	2	2	2

From Evansville, Ind., Henderson and Owensboro, Ky.—The rates are the same as those from Louisville, except that on Class B the rates are 2 cents less than the rates from Louisville.

From Paducah, Ky., and Nashville, Tenn.—The minimum rates are the same as those from Cairo.

From Chattanooga, Tenn.—To stations between Cairo and Corinth, Miss., the rates are made the following differentials higher than the rates from Nashville:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F	K	L	M	N	O
Differentials....	10	10	10	10	10	10	10	10	10	10	10	10	20	5	5	5	5	5

To stations south of Corinth, the minimum rates are the same as those from Nashville, except that rates from Nashville made on the lowest combination do not apply from Chattanooga. The lowest combination is not exceeded.

From Knoxville, Tenn.—The rates are made the following differentials higher than the rates from Chattanooga:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.....	12	9	7	6	5	4	3	3	3	3	3	3	6

Exceptions are made on various commodities.

From Birmingham, Ala., and Group.—To stations between Cairo and Corinth, the rates are made on the lowest combination.

To stations south of Corinth (except the Montgomery Division), the rates are made the following differentials less than the rates from Chattanooga. with the lowest combination as maxima:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.....	6	5	4	4	3	3	2	2	2	2	2	2	4

The commodity rates are made 2 cents less than the rates from Chattanooga.

From Montgomery and Selma, Ala.—The lowest combination or continuous locals prevail.

From Dalton, Rome, and Atlanta, Ga.—To points north of Corinth, the rates are made on the lowest combination.

To points south of Corinth, the rates are made the same as those from Chattanooga, with the lowest combination as maxima.

From Athens and Augusta, Ga.—The rates are made the following differentials higher than the rates from Atlanta:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.....	5	5	4	4	3	3	2	2	2	2	3	4	4

The commodity rates are made 2 cents over the rates from Atlanta.

From Macon, Ga.—To points north of Corinth, the rates are made on the lowest combination.

To stations south of Corinth and north of West Point, Miss., the rates are made the following differentials higher than the rates from Atlanta:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.....	5	5	4	4	3	3	2	2	1	1	3	4	2

The commodity rates are made 1 cent higher than the rates from Atlanta.

To points south of West Point and north of Meridian, the rates are made the following differentials higher than the rates from Atlanta:

Classes	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials	3	3	3	2	2	2	2	2	1	1	2	2	2

The commodity rates are made 1 cent higher than the rates from Atlanta.

To points south of Meridian, the rates are the same as those from Atlanta.

From Columbus, Ga.—To points north of Corinth, the lowest combination prevails.

To points south of Corinth and north of West Point, the rates are made the same as those from Atlanta.

To local points south of West Point and north of Meridian, the rates are the same as those from Atlanta, but not higher than the rates from Chattanooga.

To local points south of Meridian, the rates are made the following differentials less than the rates from Chattanooga:

Classes	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials	4	4	3	3	2	2	2	2	1	1	2	3	2

The commodity rates are made 1 cent less than the rates from Chattanooga.

From Other Southeastern Points.—The rates are made either in relation to the above or on the lowest combination.

From Trunk Line, Central Freight Association, and Western Territories.—The lowest combination prevails.

(d) *To Local Stations on the Yazoo & Mississippi Valley Railroad*

The class rates from Memphis, Tenn., to local stations on the Yazoo & Mississippi Valley Railroad are made by the use of the Yazoo & Mississippi Valley local distance scale, except to a few points located on what is known as the Riverside District. The rates to these points are somewhat depressed, due to their proximity to the Mississippi River.

The class rates from Memphis having been fixed, the rates from Cairo, Ill., to local stations on the Yazoo & Mississippi Valley Railroad are made certain differentials over the rates from Memphis, Tenn., and the class rates from other points of origin are made on the lowest combination.

For example, the class rates from Memphis to Port Gibson, Miss., are as follows:

Classes.....	1	2	3	4	5	6
Memphis rates.....	72	61	51	43	36	32
Cairo differentials.....	42	36	32	23	18	15
Through rates.....	114	97	83	66	54	47

Classes.....	A		B		C		D		E		F	
	C.L.	L.C.L.	C.L.	L.C.L.	C.L.	L.C.L.	C.L.	L.C.L.	C.L.	L.C.L.	C.L.	L.C.L.
Memphis rates ¹	24	28	27	35	27	34	21	21	32	39	43	54
Cairo differentials.....	11	9	9	5	9	7	4	4	9	8	17	11
Through rates.....	35	37	36	40	36	41	25	25	41	47	60	65

The class rates from St. Louis, Mo., to Port Gibson, Miss., are as follows:

Classes.....	1	2	3	4	5	6
St. Louis to Vicksburg.....	90	75	65	50	40	35
Vicksburg to Port Gibson.....	39	34	28	24	21	18
Through rates.....	129	109	93	74	61	53

Classes.....	A		B		C		D		E		F	
	C.L.	L.C.L.	C.L.	L.C.L.	C.L.	L.C.L.	C.L.	L.C.L.	C.L.	L.C.L.	C.L.	L.C.L.
St. Louis to Vicksburg.....	25	25			25	25	20	20	28	28	45	45
Vicksburg to Port Gibson.....	14	16			16	21	10	10	18	24	25	30
Through rates.....	39	41	41 ¹	45 ¹	41	46	30	30	46	52	70	75

¹Arbitrarily fixed.

At the more important or competitive points, however, the mileage basis is disregarded and, where practical, the water-line rates are met or equalized as far as possible. This practice is employed generally throughout the South.

It should be understood, however, that there are many instances where, considering the distance of the haul and the nature of the traffic, the rail carriers would not be warranted in even attempting to meet these low rates.

CHAPTER XIX

RATES TO INTERIOR MISSISSIPPI VALLEY POINTS— Continued

1. To JACKSON AND MERIDIAN, MISS.

(a) *From Seaboard Territory*

The exceptionally low rates made by the water carriers from eastern points to the South Atlantic and Gulf ports are given much emphasis throughout the report of the Interstate Commerce Commission dealing with the rate adjustments to these ports from the various territories.

The influence of this competition, however, is felt at interior points located away from navigable streams or bodies of water.

To such points through rates are made by the water carriers by combining their rates to the ports with those of the carriers from the ports, the combination of local rates in many instances being sufficient to secure the traffic. Where the combination rates are not sufficient to secure the traffic, rates may be made certain differentials under the rates which the rail lines may fix.

Taking as an illustration the rates from New York to Meridian, Miss., the rates via the various routes are as follows:

Classes	1	2	3	4	5	6	A	B	C	D	E	H	F
All-rail rates	114	98	86	73	60	49	41	48	40	39	58	68	78
Rail-and-water rates . .	114	98	86	73	60	49	41	48	40	39	58	68	78
Rates via Gulf	96	84	75	65	54	45	37	44	36	35	54	69	74

Note that the all-rail rates, which apply via the Virginia Gateways and Ohio River Crossings, are the same as the rates via the rail-and-water routes through the South Atlantic Ports.

The rates via the Gulf lines (the Morgan Line and the Mallory Line) indicate that they are the following differentials less than the rates via the other routes:

Classes	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials	18	14	11	8	6	4	4	4	4	4	4	8	4

The Gulf lines are conceded this scale of differentials by the rail or rail-and-water lines on traffic destined to all common points in Mississippi on and south of a line drawn through Vicksburg, Jackson, and Meridian. To local points the rates are made on the basis of the lowest combination through the Gulf port to a common point plus the local rate from the common point.

To points north of this line the rates are made on the lowest available combination, which is usually the water rate to the port plus the rail-line local rate from the port. North of this line is neutral territory, and the various routes, except for some spasmodic competition by independent lines, meet on a common footing.

From the Eastern Cities and interior eastern points, the rates are the same via the all-rail and the rail-and-water routes. The basis to Meridian from New York is the same as that to Selma, Ala., via rail-and-water. From Philadelphia, Baltimore, and points taking the same rates, the rates are the Trunk Line differentials below the rates from New York, using as minimum rates from Philadelphia and Baltimore, respectively, the corresponding rates to Anniston. From the Virginia Cities, also, the basis is the same as that to Selma. However, the existing rates from the East to Meridian are higher than on the basis given, as no

change was made in the rates to Meridian when the general reductions to the southeastern common points were made in 1904.

The class rates from eastern seaboard and interior eastern points and from the Virginia Cities to Jackson are fixed figures checked in by the Jackson lines, governed somewhat by the competition found at Vicksburg and at Meridian. The lowest combination was not exceeded, and this is the basis for the commodity rates at the present time.

The basis from the Buffalo-Pittsburgh-Wheeling-Ashland zone to both Jackson and Meridian is the same as that observed generally to the southeast.

(b) *From Ohio River Crossings*

In the pages following dealing with the basis for rates from Ohio River Crossings and points in Western Trunk Line and Central Freight Association territories, the present scale of rates and basis has been used. The territory is grouped in the following manner.

St. Louis Group.—St. Louis, Mo., rates apply from St. Louis, Mo., East St. Louis and Belleville, Ill., Louisville, Ky., and Jeffersonville and New Albany, Ind.

Evansville Group.—Evansville, Ind., rates apply from Evansville, Ind., and Owensboro and Henderson, Ky.

Cincinnati Group.—Cincinnati, Ohio, rates apply from Cincinnati, Ohio, Covington, Newport, and Lexington, Ky., and Aurora and Lawrenceburg, Ind.

Illinois Central Railroad Group.—Illinois Central Railroad group rates apply from stations on the Illinois Central Railroad from Carbondale, Ill., to Villa Ridge, Ill., inclusive, and from Carterville, Ill., to Round Knob, Ill., inclusive.

Chicago Group.—Chicago, Ill., rates apply from all

that territory beginning at Chicago and thence via the west bank of Lake Michigan to Whiting, Ind., inclusive; thence via the Chicago, Indiana & Southern Railroad to but not including Schneider, Ind.; thence north of the Chicago, Indiana & Southern Railroad to and including Wheatfield; thence via the Chicago & Eastern Illinois Railroad to LaCrosse, Ind., inclusive; thence on and west of the Chicago & Eastern Illinois Railroad to Percy Junction; thence via an imaginary line to a point just north of Kentland and Effner; thence north of the line of the Toledo, Peoria & Western Railway to a point just north of Peoria; thence north of the line of the Chicago, Burlington & Quincy Railroad and north of Yates City, Galesburg, and Monmouth, to and including Burlington; thence on and east of the west bank of the Mississippi River to Sabula Junction; thence on and south of the Chicago, Milwaukee & St. Paul Railway to and including Freeport, Ill.; and thence on and south of the Chicago & North Western Railway, through Rockford, Belvidere, and Elgin, to Chicago, inclusive.

Milwaukee Group.—Milwaukee, Wis., rates apply from all that territory beginning at Milwaukee, and thence on and south of the line of the Chicago, Milwaukee & St. Paul Railway, through Brookfield Junction; thence to and including Waukesha; thence on and east of the line of the Wisconsin Central Railway to and including Leighton, Ill.; thence on and east of the line of the Elgin, Joliet & Eastern Railway but not including Spaldwin, Ill.; thence north of the line of the Chicago, Milwaukee & St. Paul Railway to but not including Chicago, Ill.; thence via the west bank of Lake Michigan to Milwaukee, inclusive, including points on and south of the line of the Illinois Central Railroad from Dubuque, Iowa, to but not including

Freeport, Ill., and points on and east of the Chicago, Milwaukee & St. Paul Railway from Dubuque to but not including Sabula; also points on the Illinois Central Railroad from Dodgeville and Madison, Wis., to but not including Freeport, Ill.

Peoria Group.—Peoria, Ill., rates apply from all that territory including west bank Mississippi River points from Burlington, Iowa, to Hannibal, Mo., inclusive; thence north on the Wabash Railroad to and including Springfield, Ill.; thence north of the Cincinnati, Hamilton & Dayton Railway to and including Decatur; thence on and east of the Illinois Central Railroad to but not including Sullivan, Ill.; thence north of the Chicago & Eastern Illinois Railroad to but not including Tuscola; thence north of the Cincinnati, Hamilton & Dayton Railway to but not including West Melcher; thence on and west of the Chicago & Eastern Illinois Railroad to and including Goodland, Ind.; and thence on and south of the Chicago, Burlington & Quincy Railroad, including Yates City and Monmouth, to Burlington, Iowa, inclusive.

(c) *From St. Louis, Mo., Ohio River Crossings, and Related Points*

The basis for the class rates to Jackson and Meridian, Miss., are the class rates from St. Louis to Meridian, the Meridian rates having been applied to Jackson, for competitive reasons. The rates from St. Louis reflect the competition down the Mississippi River to Vicksburg and thence via rail to Jackson, the rates to Meridian being made no greater than those to Jackson. Some of the rates, however, particularly on commodities, have been adjusted to meet market competitive conditions.

The class rates from St. Louis to Jackson and Meridian are as follows:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Rates.....	98	84	70	59	49	43	35	35½	27	25	34	55	54

After fixing the class rates from St. Louis, the St. Louis basis is applied from Louisville, Ky. The class rates from other points of origin are made the differentials shown in Table 64 over or under the class rates from St. Louis.

TABLE 64

DIFFERENTIALS USED IN CONSTRUCTING CLASS RATES TO
JACKSON AND MERIDIAN, MISS.

FROM GROUPS	DIFFERENTIALS IN CENTS PER 100 POUNDS EXCEPT AS NOTED														REMARKS
	Classes ¹														
	1	2	3	4	5	6	A	B	C	D	E	H	F ²		
Memphis.....	25	21	18	15	12	10	7	7	7	7	7	7	18	Below St. Louis rates	
Nashville ³	15	12	10	8	7	6	4	5	5	5	5	5	10		
Cairo.....	15	12	10	8	7	6	4	5	5	5	5	5	10		
Evansville.....	3	3	3	2	2	2	2	2	2½	2	2	2	5		
Cincinnati.....	8	8	8	7	6	5	4	2	2	2	4	4	4	Over St. Louis rates	
Peoria.....	14	11	9	6	5	5	4	4	3	3	4	6	6		
Springfield.....	8	8	8	4	4	4	3	3	2	2	3	4	4		
Chicago.....	20	15	10	8	7	6	6	6	6	6	5	8	12		
Milwaukee.....	26	20	14	11	9	8	8	8	8	8	7	11	16		

¹Governed by the Southern Classification.

²Per barrel.

³But not less per mile than from Louisville

2. COMMODITY ADJUSTMENT

The relative adjustment in connection with the commodity rates from the Ohio River Crossings and Nashville and from Chicago, Milwaukee, Peoria, and Springfield territories is as described concerning the commodity rates to New Orleans and group.

(a) *From Central Freight Association Territory*

From Central Freight Association Territory, the rates are generally made on the lowest combination.

(b) *From Southeastern Territory*

From Chattanooga, Tenn.—To Jackson, Miss., the rates are made not less than the rates from Nashville.

To Meridian, Miss, the rates are made the following differentials under the rates from Nashville:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.....	6	5	4	4	3	3	2	2	2	2	4	2	2

From Birmingham, Ala., and Group.—The rates are made the following differentials under the rates from Chattanooga:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.....	6	5	4	4	3	3	2	2	2	2	2	2	4

The rates to Meridian do not exceed the local rates of the Alabama Great Southern Railroad.

From Knoxville, Tenn.—The rates are made the following differentials over the rates from Chattanooga:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.....	12	9	7	6	5	4	3	3	3	3	3	3	6

From Montgomery and Selma, Ala.—The rates are made the same as the rates from Birmingham.

From the Gadsden-Anniston, Ala., Group.—The rates are made the same as the rates from Chattanooga.

From Rome and Dalton, Ga.—The rates are made the same as the rates from Chattanooga.

From Atlanta, Ga.—The rates are made the same as the rates from Chattanooga, but do not exceed the

lowest combination or the local rates of a continuous line.

From Augusta and Athens, Ga.—The rates are made the following differentials higher than the rates from Atlanta:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.....	5	5	4	4	3	3	2	2	2	2	3	4	4

From Macon, Ga.—The rates are made the same as those from Atlanta.

From Milledgeville, Ga., and Group.—The rates are made the same as those from Macon.

From Columbus, Ga.—The rates are made the following differentials less than the rates from Chattanooga:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.....	4	4	3	3	2	2	2	2	1	1	2	3	2

From other competitive points and from local points in Southeastern Territory the basis is as described to junctions in interior Mississippi Valley Territory.

3. TO HATTIESBURG, LAUREL, LUMBERTON, NEWTON,
ELLISVILLE, AND ENTERPRISE, MISS.

The class and commodity rates to Hattiesburg, Laurel, Lumberton, Newton, Ellisville, and Enterprise, Miss., are made the following differentials higher than the rates to Jackson and Meridian, Miss., observing the actual combination as maximum from each of the originating points.

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F	
Differentials.	20	17	15	12	9	6	5	5	12	C.L. 5	L.C.L. 10	12	C.L. 11	L.C.L. 24

COMMODITIES	DIFFERENTIAL*
Cement and plaster, C. L.	5
Fertilizers, C. L.	5
Flour, in sacks, C. L.	5½
Lime, C. L.	5
Lumber, C. L.	5
Ore, ground iron, C. L.	5
Paint, mineral, C. L.	5
Railroad track material, ¹ C. L.	100
Salt, C. L.	5
Slate roofing, C. L.	5
Stone, C. L.	5

For example, the class and commodity rates from St. Louis to Hattiesburg, Laurel, Lumberton, Newton, Ellisville, and Enterprise are made as follows:

Classes	1	2	3	4	5	6	A	B	C	D	E	H	F
Rates from St. Louis to Jackson and Meridian ...	98	84	70	59	49	43	35	35½	27	25	25	34	54
Differentials over Jackson and Meridian ...	20	17	15	12	9	6	5	5	12	5	10	12	11
Through rates	118	101	85	71	58	49	40	40½	39	30	35	46	65

Commodities	Flour, in Sacks	Lime	Railroad Track Material ¹
Rates from St. Louis to Jackson and Meridian	21	19	\$4.48
Differentials over Jackson and Meridian	5½	5	1.00
Through rates	26½	24	\$5.48

¹ Per ton, 2,240 pounds.

CHAPTER XX

RATES TO INTERIOR MISSISSIPPI VALLEY POINTS —Continued

1. FROM OHIO AND MISSISSIPPI RIVER CROSSINGS

(a) To Union City, Tenn.

Cairo, Ill., is the base point for the class rates to Union City, Tenn., the rates from Cairo being as follows:

Classes...	1	2	3	4	5	6	A	B	C	D	E	H	F
Rates....	38	32	27	22	20	18	15	22	16	12	19	19	32

The class rates from Cairo having been fixed, the class rates from other points of origin to Union City are made by adding the differentials set forth in Table 65 to the class rates from Cairo.

(b) To Martin and Gibbs, Tenn.

The class rates to Martin and Gibbs, Tenn., from Ohio River Crossings, Mississippi River Crossings, and other points of origin, except from Memphis and Nashville, Tenn., and the Illinois Central Railroad group, are made the following differentials higher than the class rates to Union City, Tenn.:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Cairo to Union City...	38	32	27	22	20	18	15	22	16	12	19	19	32
Differentials over Union City rates.....	3	3	3	2	2	1	1	1	1	1	1	1	2
Through rates from Cairo to Martin and Gibbs.....	41	35	30	24	22	19	16	23	17	13	20	20	34

TABLE 65

DIFFERENTIALS USED IN CONSTRUCTING CLASS RATES TO
UNION CITY, TENN.

FROM GROUPS	DIFFERENTIALS IN CENTS PER 100 POUNDS EXCEPT AS NOTED													
	Classes ¹													
	1	2	3	4	5	6	A	B	C	D	E	H	F ²	
Memphis.....	8	8	8	7	5	3	2	2	2	2	2	2	4	
Nashville.....	8	8	8	7	5	3	2	2	2	2	2	2	4	
St. Louis-Louisville	28	25	20	15	8	6	8	8	7	5	7	13	14	
Evansville.....	25	22	17	13	6	4	6	6	5	3	5	11	10	
Cincinnati.....	41	36	28	22	14	11	12	14	10	8	11	17	20	
Pana.....	38	31	24	19	15	13	10	10	9	8	12	15	18	
Peoria.....	42	35	28	22	15	13	12	12	11	10	12	17	22	
Indianapolis.....	42	35	28	22	15	13	12	12	11	10	12	17	22	
Chicago.....	45	37	31	24	19	16	14	16	13	11	14	17	26	
Milwaukee ³	6	5	4	3	2	2	2	2	2	2	2	2	4	

¹Governed by the Southern Classification.

²Per barrel.

³Differentials over the rates from Chicago, Ill.

The same class rates apply from Nashville to Martin and Gibbs as apply from Nashville to Union City.

The same class rates apply from Memphis to Martin and Gibbs as apply from Memphis to Union City.

The class rates from the Illinois Central Railroad group to Martin and Gibbs are made the following differentials higher than the Cairo, Ill., class rates:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.....	17	15	13	9	7	5	5	2	4	4	5	5	8

(c) *To Rives, Tenn.*

Except from Nashville, Tenn., the same basis applies to Rives, Tenn., as that shown under the Martin and Gibbs heading.

The class rates from Nashville to Rives are made by applying the same differentials over the rates to Union

City, Tenn., as those used in making the class rates from Ohio River Crossings to Union City, Tenn.

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Rates from Nashville to													
Union City.....	46	40	35	29	25	21	17	24	18	14	21	21	36
Differentials over rates													
to Union City.....	3	3	3	2	2	1	1	1	1	1	1	1	2
Through rates from													
Nashville to Rives...	49	43	38	31	27	22	18	25	19	15	22	22	38

(d) *To Paris, Tenn.*

The class rates from Memphis to Paris are arbitrarily fixed at the following figures:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Rates.....	50	43	38	32	27	24	22	27	21	15	24	24	42

The class rates from Nashville to Paris are arbitrarily fixed at the following figures:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Rates.....	45	38	33	27	24	21	17	24	18	14	21	21	36

The rates from Memphis being fixed, the rates from Cairo, Ill., are made the same. From Ohio River Crossings, except Cairo, Ill., and from other points except Memphis and Nashville, Tenn., the rates are made by adding the same differentials over the Cairo, Ill., rates as shown in Table 65 as applying to Union City, Tenn.

(e) *To Milan and Humboldt, Tenn.*

Cairo, Ill., is the base point for the class rates to Milan and Humboldt, Tenn., the class rates from that point being as follows:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Rates.....	50	42	37	31	25	23	19	26	17	13	19	21	34

The class rates from Cairo having been fixed, the class rates to Milan and Humboldt from other points of origin, except from Nashville and Memphis, Tenn., and the Illinois Central Railroad group, are made by applying the same differentials over the rates from Cairo as those shown in Table 65.

The class rates from Nashville to Milan and Humboldt are fixed arbitrarily at the following figures:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Rates.....	65	56	49	42	31	29	29	33	22	17	25	28	44

The class rates from Memphis to Milan and Humboldt are fixed arbitrarily at the following figures:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Rates.....	46	40	35	29	25	21	17	24	18	14	21	21	36

The class rates from the Illinois Central Railroad group to Milan and Humboldt are made the following differentials higher than the Cairo class rates:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.....	17	15	13	9	7	5	5	2	4	4	5	5	8

(f) *To Jackson and Bemis, Tenn.*

Cairo, Ill., being the base point, the class rates from that point to Jackson and Bemis, Tenn., are established as follows:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Rates.....	58	49	42	35	27	27	26	29	18½	15	22	24	37

The class rates from Memphis, Tenn., to Jackson and Bemis are fixed arbitrarily at the following figures:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Rates.....	48	42	36	30	24	22	22	25	18½	15	22	22	37

The class rates from other points of origin to Jackson and Bemis are made by adding the differentials set forth in Table 66 to the class rates from Cairo.

TABLE 66

DIFFERENTIALS USED IN CONSTRUCTING CLASS RATES TO
JACKSON AND BEMIS, TENN.

FROM GROUPS	DIFFERENTIALS IN CENTS PER 100 POUNDS EXCEPT AS NOTED													
	Classes ¹													
	1	2	3	4	5	6	A	B	C	D	E	H	F ²	
Nashville.....	6	5	4	3	3	2	2	2	1½	1	2	2	3	
St. Louis-Louisville.....	28	25	20	15	8	6	8	8	7	5	7	13	14	
Evansville.....	25	22	17	13	6	4	6	6	5	3	5	11	10	
Cincinnati.....	41	36	28	22	14	11	12	14	10	8	11	17	20	
Pana.....	38	31	24	19	15	13	10	10	9	8	12	15	18	
Peoria.....	42	35	30	23	17	15	12	12	11	10	13	17	22	
Indianapolis.....	42	35	30	23	17	15	12	12	11	10	13	17	22	
Chicago.....	45	37	31	24	19	16	14	16	13	11	14	17	26	
Illinois Central Railroad.....	17	15	13	9	7	5	5	2	4	4	5	5	8	
Milwaukee ³	6	5	4	3	2	2	2	2	2	2	2	2	4	

¹Governed by the Southern Classification.²Per barrel.³Differentials over the rates from Chicago, Ill.*(g) To Somerville, Tenn.*

Cairo, Ill., being the base point, the class rates from that point to Somerville, Tenn., are fixed at the following figures:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Rates.....	64	54	46	38	30	29	23	27	20	16	24	26	40

The class rates from Cairo having been fixed, the class rates to Somerville from other points of origin, except from Nashville and Memphis, Tenn., are made by adding the same differentials to the class rates from Cairo as those shown in Table 66.

The class rates from Nashville to Somerville are arbitrarily fixed the same as those from Cairo.

The class rates from Memphis to Somerville are arbitrarily fixed at the following figures:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Rates.....	36	31	26	22	19	18	12	17	15	11	18	18	22

(h) To Grand Junction, Tenn.

Cairo, Ill., being the base point, the class rates from that point to Grand Junction, Tenn., are fixed at the following figures:

Classes.....	1	2	3	4	5	6
Rates.....	62	54	44	38	32	27

Classes.....	A		B		C		D		E	H	F	
	C.L.	L.C.L.	C.L.	L.C.L.	C.L.	L.C.L.	C.L.	L.C.L.			C.L.	L.C.L.
Rates.....	26	28	29	31	18½	21	17	19	29	34	37	42

The class rates from Cairo having been fixed, the class rates to Grand Junction from other points of origin, except from Memphis, Tenn., are made by adding the differentials set forth in Table 67 to the class rates from Cairo.

TABLE 67

DIFFERENTIALS USED IN CONSTRUCTING CLASS RATES TO
GRAND JUNCTION, TENN.

FROM GROUPS	DIFFERENTIALS IN CENTS PER 100 POUNDS EXCEPT AS NOTED												
	Classes ¹												
	1	2	3	4	5	6	A	B	C	D	E	H	F ²
Nashville.....	11	9	8	6	4	3	3	3	1½	1	3	5	3
St. Louis-Louisville.....	34	29	24	18	13	11	10	10	7	5	10	17	14
Evansville.....	34	29	24	18	13	11	10	8	5	3	10	17	10
Cincinnati.....	43	37	32	25	19	16	14	15	12	8	14	21	24
Pana.....	38	31	24	19	15	13	10	10	9	8	12	15	18
Peoria.....	42	35	30	23	17	15	12	12	11	10	13	17	22
Indianapolis.....	42	35	30	23	17	15	12	12	11	10	13	17	22
Chicago.....	45	37	31	24	19	16	14	16	13	11	14	17	26
Illinois Central Railroad.....	17	15	13	9	7	5	5	2	4	4	5	5	8
Milwaukee ³	6	5	4	3	2	2	2	2	2	2	2	2	4

¹Governed by the Southern Classification.

²Per barrel.

³Differentials over the rates from Chicago, Ill.

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The class rates from Memphis to Grand Junction are arbitrarily fixed at the following figures:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Rates.....	41	36	31	26	21	18	18	21	14	12	21	26	28

(i) To Corinth and Ruslor, Miss.

The base point for the class rates to Corinth and Ruslor, Miss., is Cairo, Ill., from which point the class rates are established as follows:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Rates.....	62	54	44	38	32	27	26	30	19½	19	29	34	39

The class rates from Cairo to Corinth and Ruslor having been fixed, the class rates from other points of origin, except from Memphis, Tenn., are made by adding the same differentials to the class rates from Cairo as those shown in Table 67.

The class rates from Memphis to Corinth and Ruslor are made by using the Southern Railway (Memphis Division) local station basis on Classes 1 to 6, inclusive, and A, D, E, and H. The rates on other classes are fixed arbitrarily.

The class rates from Memphis to Corinth and Ruslor are as follows:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Rates.....	45	40	35	30	25	20	20	23	14	14	25	30	28

(j) To Holly Springs, Miss.

The class rates to Holly Springs, Miss., are based on Cairo, Ill., from which point the class rates are fixed as follows:

Classes.....	1	2	3	4	5	6
Rates.....	64	56	45	39	32	28

Classes.....	A		B	C		D	E	H	F	
	C.L.	L.C.L.		C.L.	L.C.L.	C.L.	L.C.L.		C.L.	L.C.L.
Rates.....	26	28	29	18½	21	17	20	29	34	37 42

The class rates from Cairo to Holly Springs having been fixed, the class rates from other points of origin, except from Memphis, Tenn., are made by adding the same differentials to the class rates from Cairo as those shown in Table 67.

The class rates from Memphis to Holly Springs are fixed arbitrarily as follows:

Classes.....	1	2	3	4	5	6
Rates.....	35	32	26	23	20	18

Classes.....	A	B	C	D	E	H	F
			C.L. L.C.L.	C.L. L.C.L.			
Rates.....	17	19	10½ 13	12 13	20	23	21 26

(k) To Tupelo, Miss.

The class rates to Tupelo, Miss., are based on the class rates from Memphis, Tenn., from which point the rates are established as follows:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Rates.....	60	50	40	35	28	23	22	26	15½	15	23	29	31

TABLE 68

DIFFERENTIALS USED IN CONSTRUCTING CLASS RATES TO TUPELO, MISS.

FROM GROUPS	DIFFERENTIALS IN CENTS PER 100 POUNDS EXCEPT AS NOTED														REMARKS
	Classes ¹														
	1	2	3	4	5	6	A	B	C	D	E	H	F ²		
Cairo.....	8	7	6	6	6	6	4	4	4	4	7	9	8	Over Memphis rates	
Nashville.....	11	9	8	6	4	3	3	3	1½	1	3	5	3	Over Cairo rates	
Evansville.....	34	29	24	18	13	11	10	8	5	3	10	17	10		
Cincinnati.....	43	37	32	25	19	16	14	15	12	8	14	21	24		
St. Louis-Louisville.....	34	29	24	18	13	11	10	10	7	5	10	17	14		
Peoria.....	42	35	30	23	17	15	12	12	10	10	13	17	22		
Pana.....	38	31	24	19	15	13	10	10	9	8	12	15	18		
Indianapolis.....	42	35	30	23	17	15	12	12	10	10	13	17	22	Over Chicago rates	
Chicago.....	45	37	31	24	19	16	14	16	13	11	14	17	26		
Milwaukee.....	6	5	4	3	2	2	2	2	2	2	2	2	4		

¹Governed by the Southern Classification.
²Per barrel.

The class rates from Memphis to Tupelo having been fixed, the class rates from other points of origin are made on the differential basis set forth in Table 68.

(l) *To New Albany, Miss.*

The class rates to New Albany, Miss., are the same as the class rates to Tupelo, Miss., from all points of origin, except from Memphis, Tenn., from which the class rates are fixed arbitrarily as follows:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Rates.....	54	45	34	31	27	21	19	23	15	14	22	27	30

(m) *To Ackerman, Miss.*

The base point for the class rates to Ackerman, Miss., is Cairo, Ill., from which point the class rates are established as follows:

Classes.....	1	2	3	4	5	6
Rates.....	80	65	50	45	38	35

Classes.....	A		B		C		D		E	H	F	
	C.L.	L.C.L.	C.L.	L.C.L.	C.L.	L.C.L.	C.L.	L.C.L.			C.L.	L.C.L.
Rates.....	26	30	32	37	23	28	19	23	30	38	42	50

The class rates from Cairo to Ackerman having been fixed, the class rates from other points of origin, except from Memphis, Tenn., are made by adding the same differentials to the class rates from Cairo as those shown in Table 68.

The class rates from Memphis to Ackerman are fixed arbitrarily as follows:

Classes.....	1	2	3	4	5	6
Rates.....	63	51	38	35	29	27

Classes.....	A		B		C		D		E	H	F	
	C.L.	L.C.L.	C.L.	L.C.L.	C.L.	L.C.L.	C.L.	L.C.L.			C.L.	L.C.L.
Rates.....	21	25	26	31	18	23	15	19	22	30	32	40

(n) *To Agricultural & Mechanical College, Aberdeen, Binford, Columbus, Maben, Mathiston, Muldrow, Osborn, Starkville, Strong, and West Point, Miss.*

Memphis, Tenn., is the base point for the class rates to Agricultural & Mechanical College, Aberdeen, Binford, Columbus, Maben, Mathiston, Muldrow, Osborn, Starkville, Strong, and West Point, Miss., the class rates from Memphis being as follows:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Rates.....	72	58	44	39	32	26	24	30	16	16	23	29	32

The class rates from Memphis to Agricultural & Mechanical College, Aberdeen, Binford, Columbus, Maben, Mathiston, Muldrow, Osborn, Starkville, Strong, and West Point having been fixed, the class rates from Cairo, Ill., are made by adding the following differentials to the class rates from Memphis:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.....	8	7	6	6	6	6	4	4	4	4	7	9	8

The class rates from other points of origin to Agricultural & Mechanical College, Aberdeen, Binford, Columbus, Maben, Mathiston, Muldrow, Osborn, Starkville, Strong, and West Point are made by adding the same differentials to the class rates from Cairo as those shown in Table 68.

(o) *To Winona, Miss.*

Cairo, Ill., is the base point for the class rates to Winona, Miss., the class rates from Cairo being as follows:

Classes.....	1	2	3	4	5	6
Rates.....	80	65	50	45	38	32

Classes.....	A		B		C		D		E	H	F	
Rates.....	C.L.	L.C.L.	C.L.	L.C.L.	C.L.	L.C.L.	C.L.	L.C.L.	30	38	C.L.	L.C.L.
	26	30	32	36	19	21	18	21			33	42

The class rates from Cairo to Winona having been fixed, the class rates from Memphis, Tenn., are made the following differentials under the class rates from Cairo:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.....	17	14	12	10	9	8	5	6	5	5	8	8	10

The class rates from other points of origin to Winona are made by adding the same differentials to the class rates from Cairo as those shown in Table 68.

(p) *To Greenwood, Belgrade, Belzoni, Hardecash, Silver City, and Yazoo City, Miss.*

Memphis, Tenn., is the base point for the class rates to Greenwood, Belgrade, Belzoni, Hardecash, Silver City, and Yazoo City, Miss., the class rates from Memphis being as follows:

Classes.....	1	2	3	4	5	6
Rates.....	64	54	46	39	22	29

Classes.....	A		B		C		D		E	H	F	
	C.L.	L.C.L.	C.L.	L.C.L.	C.L.	L.C.L.	C.L.	L.C.L.			C.L.	L.C.L.
Rates.....	22	27	27	31	16	18	15	18	22	32	32	36

The class rates from Memphis to Greenwood, Belgrade, Belzoni, Hardecash, Silver City, and Yazoo City having been fixed, the class rates from other points of origin are made on the differential basis set forth in Table 69.

(q) *To McKenzie, Tenn.*

Cairo, Ill., is the base point for the class rates to McKenzie, Tenn., the class rates from Cairo being:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Rates.....	41	35	30	24	22	19	16	23	17	13	20	20	34

TABLE 69

DIFFERENTIALS USED IN CONSTRUCTING CLASS RATES TO
GREENWOOD, BELGRADE, BELZONI, HARDCASH,
SILVER CITY, AND YAZOO CITY, MISS.

FROM GROUPS	DIFFERENTIALS IN CENTS PER 100 POUNDS EXCEPT AS NOTED														REMARKS
	Classes ¹														
	1	2	3	4	5	6	A	B	C	D	E	H	F ²		
Cairo.....	17	14	12	10	9	8	5	6	5	5	8	8	10	Over Memphis rates	
Nashville.....	17	14	12	10	9	8	5	6	5	5	8	8	10		
Evansville.....	12	9	7	6	5	4	2	3	2½	3	3	3	5	Over Cairo rates	
Cincinnati.....	23	20	18	12	11	10	7	10	7	7	8	8	14		
St. Louis-Louisville....	15	12	10	8	7	6	4	5	5	5	5	5	10		
Peoria.....	33	27	20	16	14	12	10	14	11	11	10	11	22		
Pana.....	33	27	20	16	14	12	10	14	11	11	10	11	22		
Indianapolis.....	33	27	20	16	14	12	10	14	11	11	10	11	22		
Chicago.....	33	27	20	16	14	12	10	14	11	11	10	11	22		
Illinois Central Railroad	15	12	10	8	7	5	4	2	2	2	5	5	8		
Milwaukee.....	6	5	4	3	2	2	2	2	2	2	2	2	4	Over Chicago rates	

¹Governed by the Southern Classification.

²Per barrel.

The class rates from Cairo to McKenzie having been fixed, the class rates from other points of origin, except from Nashville and Memphis, Tenn., are made by adding the same differentials to the class rates from Cairo as those shown in Table 65.

The class rates from Nashville to McKenzie are made the same as the class rates from Nashville to Martin, Tenn., viz.:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Rates.....	46	40	35	29	25	21	17	24	18	14	21	21	36

The class rates from Memphis to McKenzie are made the same as the class rates from Nashville to McKenzie.

(r) To Houston, Miss.

Memphis, Tenn., is the base point for the class rates to Houston, Miss., the class rates from Memphis being:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Rates.....	72	58	44	39	32	26	24	30	16	16	23	29	32

The class rates from Memphis to Houston having been fixed, the class rates from other points of origin are made on the differential basis set forth in Table 70.

TABLE 70

DIFFERENTIALS USED IN CONSTRUCTING CLASS RATES TO
HOUSTON, MISS.

FROM GROUPS	DIFFERENTIALS IN CENTS PER 100 POUNDS EXCEPT AS NOTED														REMARKS
	Classes ¹														
	1	2	3	4	5	6	A	B	C	D	E	H	F	2	
Cairo.....	8	7	6	6	6	6	4	4	4	4	7	9	8	Over Memphis rates	
Nashville.....	11	9	8	6	4	3	3	3	1½	1	3	5	3	Over Cairo rates	
Evansville.....	34	29	24	18	13	11	10	8	5	3	10	17	10		
Cincinnati.....	43	37	32	25	19	16	14	15	12	8	14	21	24		
St. Louis-Louisville.....	34	29	24	18	13	11	10	10	7	5	10	17	14		
Pana.....	34	28	23	17	14	13	10	9	9	7	12	15	18		
Peoria.....	38	32	29	21	16	15	12	11	11	9	13	17	22		
Indianapolis.....	38	32	29	21	16	15	12	11	11	9	13	17	22		
Illinois Central Railroad	17	15	13	9	7	5	5	2	4	4	5	5	8	Over Chicago rates	
Chicago.....	41	34	30	22	18	16	14	15	13	10	14	17	26		
Milwaukee.....	6	5	4	3	2	2	2	2	2	2	2	2			

¹Governed by the Southern Classification.

²Per barrel.

2. FROM POINTS IN SOUTHEASTERN TERRITORY

(a) From Chattanooga, Tenn.

To Union City, Tenn.—The rates are made the following differentials over the rates from Chattanooga to the Paris, Tenn., group:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F	K	L	M	N	O
Differentials....	3	3	3	2	2	1	1	1	1	1	1	1	2	1	1	1	1	1

To Gibbs, Martin, Paris, and McKenzie, Tenn.—The rates are made not less than the rates from Louisville to Martin.

To Rives, Tenn.—The rates are made the same differentials over the rates to Union City as were used in mak-

ing the rates from Nashville to Rives as compared with Union City.

To Milan, Humboldt, and Jackson, Tenn.—The rates are made not less than the rates from Louisville to Jackson, Tenn.

To Grand Junction, Tenn., and Corinth, Miss.—The rates are made not less than those from Cairo, applying the less-than-carload rates on lettered classes, except that the rates from Cairo made on the Memphis combination do not apply from Chattanooga, nor are the rates to Grand Junction to be less than those to Corinth except when made on the Memphis combination.

To Holly Springs, Miss.—The rates are made not less than those from Nashville, except that the Nashville rates made on the lowest combination do not apply from Chattanooga.

To Tupelo, Aberdeen, West Point, Starkville, Columbus, Winona, Greenwood, Belzoni, and Yazoo City, Miss.—The rates are made the same as those from Nashville.

To New Albany, Miss.—The rates are made the same as those to Tupelo, Miss.

To Houston, Maben, and Mathiston, Miss.—The rates are made the same as those to Aberdeen, with continuous locals or the lowest combination as maxima.

(b) *From Birmingham, Ala.*

To Union City, Paris, and McKenzie, Tenn.—The rates are made as much higher than the rates to Jackson, Tenn., as the rates from Cairo to Union City, Paris, and McKenzie, respectively, are lower than the rates from Cairo to Jackson.

To Gibbs, Martin, and Rives, Tenn.—The rates are made as much higher than the rates to Jackson, Tenn.,

as the rates from Cairo to Gibbs, Martin, and Rives, respectively, are lower than the rates from Cairo to Jackson.

To Milan, Humboldt, and Jackson, Tenn.—The rates are made not less than those from Chattanooga.

To Grand Junction, Tenn., and Corinth, Miss.—The rates are made the same as those from Nashville, but not less than those to Memphis.

To Holly Springs, Miss.—Specific rates are checked in.

To New Albany, Miss.—The rates are made the locals of the Frisco Line, with the rates to Holly Springs as maxima.

To Tupelo, Aberdeen, West Point, Starkville, Columbus, and Winona, Miss.—The rates are made the following differentials under the rates from Chattanooga, but not higher than the lowest combination or the local scales of a continuous line.

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.....	6	5	4	4	3	3	2	2	2	2	2	2	4

To Houston, Maben, and Mathiston, Miss.—The rates are made the same as those to Aberdeen, but do not exceed the lowest combination or the local rates of a continuous line.

To Greenwood, Miss.—The rates are made the following differentials less than the rates from Chattanooga, with the rates to Winona, Miss., as maxima.

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.....	6	5	4	4	3	3	2	2	2	2	2	2	4

To Belzoni, Miss.—The rates are made the same as those to Yazoo City.

To Yazoo City, Miss.—The rates are made the following differentials less than the rates from Chattanooga:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.....	6	5	4	4	3	3	2	2	2	2	2	2	4

(c) *From Knoxville, Tenn.*

To Grand Junction, Tenn., and Corinth, Miss.—The rates are made the following differentials over the rates from Chattanooga, with the local rates of the Southern Railway as maxima.

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.....	25	20	18	15	12	10	8	11	10	9	14	13	17

*To Junction Points North of Grand Junction and Corinth.*¹—The lowest combination or continuous local rates prevail.

*To Junction Points South of Grand Junction and Corinth.*¹—The rates are made the following differentials over the rates from Chattanooga:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.....	12	9	7	6	5	4	3	3	3	3	3	3	6

(d) *From Rome and Dalton, Ga.*

To Grand Junction, Tenn., Corinth, Miss., and Junctions North Thereof.—The rates are made on the lowest combination, but do not exceed the local rates of any continuous line.

To Junctions South of Grand Junction and Corinth.—The rates are made the same as those from Chattanooga, but not higher than the lowest combination or the local scale of a continuous line.

(e) *From Atlanta, Ga., and Group*

To Grand Junction, Tenn., and Corinth, Miss.—The rates are made the same as those to Memphis, Tenn., except that the rate on Class A is arbitrarily fixed.

¹From Montgomery and Selma, Ala., specific rates are checked in, which, in a general way, are made with due regard to the local scales, the lowest combination, and the rates from Birmingham and other centers.

To Junctions North of Grand Junction and Corinth.—The rates are made on the lowest combination, but are not in excess of the local rates of any continuous line.

To Holly Springs and New Albany, Miss.—The basis is the same as that stated to Corinth.

To Other Junctions.—The rates are the same as those from Chattanooga, but are not higher than the lowest combination or the local rates of a continuous line.

(f) *From Augusta and Athens, Ga.*

To All Junctions.—The rates are made the following differentials higher than the rates from Atlanta:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.....	5	5	4	4	3	3	2	2	2	2	3	4	4

(g) *From Macon, Ga.*

To Junctions North of Jackson, Tenn.—The rates are made on the lowest combination.

To Jackson and Grand Junction, Tenn., Holly Springs, New Albany, Corinth, Tupelo, Aberdeen, West Point, Columbus, Houston, Maben, Mathiston, Winona, and Greenwood, Miss.—The rates are made the following differentials higher than the rates from Atlanta:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.....	5	5	4	4	3	3	2	2	1	1	3	4	2

To Starkville, Belzoni, and Yazoo City, Miss.—The rates are made the following differentials higher than the rates from Atlanta:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.....	3	3	3	2	2	2	2	2	1	1	2	2	2

(h) *From Milledgeville, Ga., and Group*

To All Junctions.—The rates are made the same as those from Macon.

(i) *From Columbus, Ga.*

To Grand Junction, Tenn., Holly Springs, New Albany, Corinth, Tupelo, Aberdeen, West Point, Columbus, Houston, Maben, Mathiston, Starkville, Winona, and Greenwood, Miss.—The rates are made the same as those from Atlanta.

To Belzoni and Yazoo City, Miss.—The rates are made the same as those from Atlanta, but not higher than those from Chattanooga.

To Other Junctions.—The lowest combination prevails.

(j) *From Other Points in Southeastern Territory*

Rates from some of the common points not specifically set out are made with relation to the foregoing. Otherwise, the lowest combination generally prevails, with the local scales of any continuous line as maxima. The rates on manufactured commodities, however, whether produced at local or competitive points, are, as a rule, given rates in close relation to those from some one or the other of the basing points whose rates are defined in the foregoing.

3. FROM TRUNK LINE TERRITORY

From Trunk Line Territory, the basis of the lowest combination prevails, proportional rates, in some cases, being a factor.

4. FROM CENTRAL FREIGHT ASSOCIATION TERRITORY

From Central Freight Association Territory, except as included in the foregoing, and from points west of the Mississippi River, through rates are made on the lowest combination.

This combination may make through the various Mississippi River Crossings and Ohio River Crossings and necessitates considerable figuring in order to determine the lowest basis on combination that can be employed to the best advantage.

CHAPTER XXI

ADJUSTMENT TO KENTUCKY-TENNESSEE TERRITORY

1. DESCRIPTION

This territory may be defined as that being bounded on the east by the main lines of the Louisville & Nashville Railroad, through Middlesboro, Ky., to Knoxville, Tenn., and thence to the Tennessee-Georgia state line; on the west by the lines on and east of the Illinois Central Railroad and the Mobile & Ohio Railroad from Cairo, Ill., through Jackson, Tenn., to Corinth, Miss.; on the south by the southern boundary of Tennessee, but not including Chattanooga, Tenn.; and on the north by the Ohio River. With the exception of the junction points along the border, the rates to points within this group are essentially within the control of the railroads serving it, modified by the stress of river competition only in the case of Nashville and Clarksville, Tenn., and Frankfort, Ky.; that is to say, there is not the competition of groups of roads, each serving widely removed sections of the country, such as is found in the south-east.

2. TO CENTRAL KENTUCKY JUNCTION POINTS

To Frankfort, Ky., the rates from Louisville are held to a comparatively low basis by the force of boat competition, affording through service. The Kentucky River is navigable all the year, having been improved

by the government to afford slack water from its mouth to Lock No. 13 near Beattyville, Ky., a distance of 240 miles. There is also water competition down the Ohio River from Cincinnati, but as there has not been through boat service from that city, the rail lines have been able to place their rates therefrom on a higher basis than from Louisville, commensurate with the greater rail distance.

To Lexington, Ky., the principal city east of Louisville, and located about equidistant from Cincinnati and from Louisville, the rates from these larger cities are equal. They measure lower than the corresponding local scales of the competing lines, being the development of competition through a long period of years between the interested rail lines, aided somewhat by the commercial position of Lexington.

The rates to other of these junction points—Paris, Georgetown, Midway, Versailles, Nicholasville, Richmond, Winchester, Junction City, and Shelbyville—from Louisville and Cincinnati are all somewhat lower than would be produced by the corresponding local scales of the lines serving them; the differences (except in the case of Winchester) are not so marked as in the Lexington rates. The rates developed are the logical outcome, as in the case of Lexington, of the efforts of the railroads serving these places, each endeavoring to secure the maximum possible amount of freight handled by these cities. For illustration, suppose that one line was in a position to compete more successfully from or via Louisville, and another, from or via Cincinnati; the geographical location in the one case would favor Louisville and, as a result, the Cincinnati line would have to reduce the rates in order to bring about a better commercial relationship with Louisville than would be afforded by strictly regarding distances as

the measure of the relative rates. At another junction point, the reverse conditions would apply. Then, again, the necessity of keeping the adjustment of rates at one junction point in fair alignment with that at another was a cause tending to a lowering of the rates that would otherwise have been applied.

From the South, the rates to Lexington are invariably no higher than the rates to Cincinnati, and while the mileage tariff or the lowest combination is generally the prevailing basis to the other junction points, this affects only a minor amount of the southern traffic reaching those places, as on the heavier and highly competitive movements the rates are made the same as those to Louisville or to Cincinnati, or slight differentials higher.

From the East, the rates to Lexington and Winchester are on the Trunk Line basis, being made so by the Chesapeake & Ohio Railway, which reaches both of these points and which follows that basis to all of its stations. Otherwise, the basis from the Western Termini of the Trunk Lines and points east thereof and from the Virginia Cities is the lowest combination. This is the basis also observed from the Ohio River Crossings west of Louisville and from all points in the North and in the West.

3. TO WEST KENTUCKY JUNCTIONS—CENTRAL CITY, HOPKINSVILLE, MORGANFIELD, NORTONVILLE, GRACEY, AND ELIZABETHTOWN

Generally, the rates between these points and the Ohio River Crossings and St. Louis are below the measure of the corresponding local scales of any one of the lines serving these points. The rates have been built up, however, on the local basis from the nearest

Ohio River city, the lower class or commodity rates of any of the railroads serving them being fixed as the rates of all. Some attention, of course, has been paid, in making this adjustment, to the commercial situation of the terminal city with respect to the surrounding territory. The rates from the nearest point having been checked in, the rates from the more distant junctions are then made on a more or less arbitrary basis, worked out by the interested lines, each making proper allowances for the paramount interests of the others; such rates are mostly below the level of the local scales.

From points in the South, the rates are generally made on the lowest combination, but on many of the important commodities, conditions have brought about fixed through rates which closely approximate those to the more highly competitive points in the general territory. Much the greater portion of the tonnage handled from the South is on the latter-named rates. While the basis is the mileage tariff or the lowest combination, as the case may be, on the articles produced at these junctions, the outbound rates are the same as, or slight differentials higher than, the corresponding rates from the Ohio River.

To and from points in the North, West, and East, the basis is the lowest combination, the only exceptions being a few specific commodity rates which are lower than the basis produces.

4. TO NASHVILLE AND CLARKSVILLE, TENN.

These points are located on the Cumberland River, and, as cities in the South go, have considerable age and history. Long before there were railroads reaching either, they were towns of importance. Nashville, particularly, was a trading and distributing center,

using the river as its principal highway, reaching northward until it met the force of Louisville competition, westward where it strove with Memphis and St. Louis, and southward beyond the Tennessee River. Within this wide territory its principal competitor was Clarksville.

Clarksville is the center of the so-called dark tobacco district, and it has always striven, as has Nashville (but not as successfully), to do a distributing trade. Its outward business of tobacco has always been important.

When the Louisville & Nashville Railroad was first built into Nashville, the rates at the time, and for a considerable period thereafter, were applied under a progressive mileage tariff. The railroad found, however, that it was not successful in competing for traffic between Nashville and the Ohio River and beyond with the numerous boat lines, which gave through service between Pittsburgh, Cincinnati, Louisville, St. Louis, Memphis, and New Orleans. To control a share of the trade, particularly that to and from Louisville and Cincinnati and beyond, the railroad first reduced the rates on some of the important commodities, gradually extending the list, until finally it was endeavoring to meet the boat competition with rates somewhat higher than the corresponding water rates, on all commodities. The boat rates were not stable. There was keen competition among them, and it was the practice of the masters or the officials to make a rate sufficiently low to control any lot of freight offered.

There is a photograph in existence, taken about fourteen years after the completion of the first railroad from the North, showing the wharf at Nashville absolutely crowded with boats, some lying in mid-stream waiting their turn to make a landing; and it

is not surprising under such a condition that the rates were unstable and traffic often handled at a loss. The existing abnormally low rail rates are the crystallization of the fierce competition between the water lines and of the efforts of the railroads to control a share of the available traffic.

After the railroad was completed to Clarksville it was not much stronger in controlling a fair share of the tonnage at that point than had been the case of the Nashville line; in fact, as late as 1872 it was handling only about 10 per cent of the total inbound and outbound tonnage, although it made the same net rates as given Nashville.

After the rail lines were constructed to Evansville and on to St. Louis and between Cincinnati and Louisville, Evansville was given, approximately, the same rates as Louisville, the cost of transfer over the Ohio River being added, and the rates from St. Louis were made as much higher than the rates from Evansville as the all-water transportation admitted. The rates from Cincinnati were made by adding to the Louisville rates figures fairly representative of the cost of shipping by water to Louisville plus the cost of transfer from wharf to depot at Louisville.

The keenness of the water competition has greatly subsided, due, in the first place, to the cut-throat competition among the boat lines themselves and, in later years, to the gradual development of rail facilities, affording a preferable character of transportation. Nevertheless, the railroads have not been able to make any general advances in these rates because of the potentiality of the water competition and because Nashville's trade has been developed by the low rates which it was able to force by means of the water competition.

The rates between Nashville and all the competitive

territory southward are made differentials below the rates to and from Louisville, as has heretofore been described.

The first rail line at Nashville was the one reaching Chattanooga. This road began developing a through traffic in connection with the river lines, charging its full rate from Nashville. It continued its working relations with the boat lines for quite a period following the construction of the railroad from the north. On through traffic exchanged with the northern road, it continued to charge its local rate, or the same as it was charging the boats. This arrangement naturally gave Nashville a rather commanding position in the matter of relative freight charges, in that the charges paid by Nashville at points south of it were equal to those paid by competing cities using the Nashville route. With the beginning of the development of the through rate fabric from the West to the South, and the fixing of the relationship of one city with another on a fair basis, Nashville lost some of this position, but the lines serving it towards the South were able to control the conditions to a considerable extent. While, therefore, the Nashville differentials under the rates from Louisville are today materially less than the rates between Nashville and the Ohio River, they are wider than is found generally in the South, when the geographical relation of one city with another is considered.

The rates from New York to Nashville are fixed figures, reflecting the rail charges from the East to Pittsburgh and Cincinnati and thence the water charges, as well as the extraordinarily keen competition of the Trunk Lines for western traffic which occurred in the two decades following the year 1870. The rates from interior eastern points and from the

Virginia Cities are on the usual Trunk Line relation with the rates from New York. There are also through rates eastbound which are likewise a crystallization of competitive conditions. The rates between Buffalo-Pittsburgh, Central Freight Association, and Western territories on the one hand and Nashville on the other hand, are on the lowest combination through the Ohio and Mississippi river gateways.

5. TO MIDDLESBORO, KY., AND CUMBERLAND GAP AND JELICO, TENN.

The Louisville & Nashville Railroad Company, until a few years ago, had no lines beyond the Tennessee state line in this direction. The Southern Railway and its predecessors, however, had branches extending northwardly from Knoxville, Tenn. The rates between Louisville and Jellico, Tenn., were reduced at different times because of the competition from and via Knoxville. It was found practicable to carry slightly higher rates to Middlesboro, Ky., and to Cumberland Gap, Tenn., than to Jellico, Tenn., but recently the Interstate Commerce Commission has reduced the rates to Middlesboro to the Jellico basis.¹

The rates from Louisville having been fixed, the rates from points related thereto and from the Cincinnati group and Lexington were made the same. The rates from Evansville, Ind., Owensboro and Henderson, Ky., and St. Louis, Mo., were made on the basis of the Carolina differentials as related to the adjustment from Louisville.

Speaking generally, the rates between these border points and other places in the general territory are made on the lowest combination, but do not exceed the

¹I. C. C. Docket Nos. 4744, 4745, and 4746. Opinion 2204.

mileage scale of a continuous line. There are numerous exceptions, however, made to meet the particular conditions of the traffic involved and, as a result, these places have been given a fair adjustment on the traffic in which they are particularly interested, considering the conditions under which the traffic is handled and the adjustment at other places.

6. To HARRIMAN, HARRIMAN JUNCTION, AND ROCKWOOD,
TENN.

When the original Act to Regulate Commerce became a law, the management of the Cincinnati, New Orleans & Texas Pacific Railway determined, so far as its own traffic was concerned, to observe literally the long-and-short-haul provision of that law. As it was not able to secure an advance in the rates between Cincinnati and Chattanooga, it adopted the existing rates between those places as its maximum local for the distance and then scaled the tariff downward for the lesser distances. The rates from Cincinnati and related points to these junctions, with some necessary exceptions, are, approximately, on the basis of the very low local tariff. The rates from Louisville and group are the same, and from the lower Ohio River Crossings and St. Louis the rates are made Carolina differentials as related to the adjustment from Louisville.

To and from points in the South, the general basis is the lowest combination, but not exceeding the mileage scale of a continuous line. However, just as in the case of Middlesboro, there are important exceptions.

From Trunk Line and interior territories the rates are made the same as those to Chattanooga.

From Central Freight Association and Western territories, the basis is the lowest combination.

7. TO KNOXVILLE, TENN.

The original rates to and from the Cincinnati and Louisville groups were the same as the corresponding rates between these Ohio River cities and Chattanooga. When the Interstate Commerce Commission ordered the rates to Chattanooga reduced,² a like reduction was not made to Knoxville. The rates from the lower Ohio River Crossings, Memphis, Nashville, etc., are made on the Carolina differentials as related to the adjustment from Louisville.

The all-rail and rail-and-water rates from New York are fixed figures, which are less than the corresponding rates to Chattanooga. The rates from the other Eastern Cities, interior eastern points, and the Virginia Cities are made the southeastern relationship to the rates from New York.³ From Buffalo-Pittsburgh Territory the same basis is applied as that to Southeastern Territory generally.

The rates from Knoxville to points in Carolina Territory south of the Walhalla line are the following differentials higher than the rates from Chattanooga, except that the rates so made must not exceed the rates from Nashville.

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.....	12	9	7	6	5	4	3	3	3	3	3	3	6

To points north of the Walhalla line, with the exception of a few stations, the rates are made the same as those from Chattanooga.

The rates from Knoxville to points in the southeast are generally made the following differentials over the

²18 I. C. C. Rep., 440.

³See Chapter X.

rates from Chattanooga, with the Nashville rates or the lowest combination as maxima.

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.....	12	9	7	6	5	4	3	3	3	3	3	3	6

The commodity rates are made 3 cents over the rates from Chattanooga.

(a) *From Mississippi Valley Territory*

From New Orleans, La.—The rates are made the Carolina differentials over the rates from Louisville to Chattanooga.

From Vicksburg, Natchez, Greenville, Jackson, and Gulfport, Miss.—The rates are made the same as those from New Orleans.

From Mobile, Ala.—The rates are made the following differentials under the rates from New Orleans:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.	10	10	10	10	5	5	4	4	4	4	5	10	8

From Pensacola, Fla.—The rates are made the same as those from Mobile.

From Helena, Ark.—The rates are made 1 cent per 100 pounds higher than the rates from Greenville, Miss.

From Ellisville, Hattiesburg, Laurel, and Newton, Miss.—The rates are made the same as those from Vicksburg.

From Central Freight Association and Western Territories.—The lowest combination through the Ohio and Mississippi river crossings prevails.

8. TO MORRISTOWN, TENN.

From Louisville, Ky., and Cincinnati, Ohio.—The basis is the lowest combination, using as base points

Bristol, Chattanooga, Knoxville, and Harriman Junction, Tenn., but not exceeding combinations of rates using the following base rates to Jellico:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Rates.....	58	50	44	35	28	22	13	21	16	15	25	29	31

and the following base rates to Bristol:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Rates.....	74	60	45	34½	29	23½	23½	29	23½	23½	28	36	47

plus the full rates from Jellico and Bristol, respectively. The Asheville, N. C., rates apply as maxima.

There are various commodity exceptions to the above basis.

From Evansville, Ind.—The rates are made the Carolina differentials over the rates from Louisville.

From St. Louis, Mo.—Where rates from Louisville are made on the Chattanooga, Harriman Junction, Jellico, or Knoxville combination, the rates from St. Louis are made the southeastern differentials over the rates from Evansville, or the Carolina differentials over the rates from Louisville, whichever basis produces lower rates. Where rates from Louisville are made on the Bristol combination, or by use of the Asheville maxima, the rates from St. Louis are made the Carolina differentials over the rates from Louisville.

From Memphis, Tenn.—The rates are made the Carolina differentials as related to the adjustment from Louisville.

In Opinion 1966, in the case of the Board of Trade of Morristown, Tenn., *et al.*, v. the Atlantic Coast Line Railroad Company, *et al.*, the Interstate Commerce Commission held:

* * * Upon consideration of all the facts before us in these two proceedings our conclusions are, and we therefore

find, that Morristown and other points intermediate Bristol and Knoxville on the direct line via Bristol are entitled to rates from New York City and other eastern points not in excess of rates contemporaneously in effect from such points to Knoxville, Tenn. * * *

Rates have been established accordingly.

From Central Freight Association and Western Territories.—The lowest combination applies.

9. To JOHNSON CITY, TENN.

From Cincinnati and Louisville Groups.—The rates are made on the lowest combination, using the following base rates to Bristol, Tenn.:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Rates.....	74	60	45	34½	29	23½	23½	29	23½	23½	28	36	47

From Evansville, St. Louis, and Memphis Groups.—The rates are made the Carolina differentials as related to the adjustment from Louisville.

The Trunk Line rates are the same as those to Morristown, Tenn., but not exceeding the lowest combination.

From Central Freight Association and Western Territories.—The lowest combination prevails.

10. To LOCAL STATIONS

The rates between the Ohio River cities and local stations in this territory are made under the respective local scales of the several lines. Although there are some unimportant exceptions, there is no general attempt to adjust the rates to and from one center on a differential basis as compared with a nearer one, with the exception that in the case of the rates to and from Louisville via the Southern Railway and local stations

on the Cincinnati, New Orleans & Texas Pacific Railway there is a definite relationship with the corresponding rates to Cincinnati.

Between these local stations and points in the South, the general basis is the combination of the local scales of continuous lines.

To and from points in Trunk Line, Carolina, Central Freight Association, and Western territories, the basis is the lowest combination.

There are exceptions in the case of articles which are produced or manufactured at these local stations when, as has been described elsewhere, competitive rates are established in relation to those that are obtainable from other producing points or territories or from towns manufacturing like commodities.

CHAPTER XXII

COMMODITY ADJUSTMENTS

1. COMPETITIVE ADJUSTMENTS

The force of all of the competitive conditions heretofore described has gradually resulted in commodity rates that are less than would apply under the class ratings, these rates being established to the large centers, which, in point of number, specially marks out Southern Territory. With the exception of Trans-Continental and Southwestern territories, no other section of the country works under such large lists of commodity rates. This condition is particularly true as concerns the tariffs to the large common points. For illustration, on March 1, 1914, there were carried to Atlanta the following number of commodity items: From Louisville, 169; from New York, all-rail, 80; rail-and-water, 92; from Savannah, 63; and from New Orleans, 154. From St. Louis to New Orleans the commodity tariffs had 207 items.

A factory in the South having to secure its raw or semi-manufactured materials from outside territory, competing with factories much nearer the original sources of supply and shipping to outside as well as to interior territory, in competition with the more favorably situated industries, necessarily has to have a competing adjustment. The class rates in such a case would probably be too high, and relief in the form of comparatively low commodity rates is warranted. There

may be a kindred factory at some other place in the territory, which is doing a local and a modest outside business and which, securing its supplies from the same source, demands that it be given a corresponding reduction, although such might not be essential except that the large factory would otherwise have a dominance in the second factory's own territory.

The prevalence of water competition, perhaps, has been the strongest factor in bringing about commodity rates, particularly those covering manufactured articles and food supplies; wherever there is a commodity important in the amount of its movement, there will be found special rates ranging, in a greater or less degree, below the measure of the corresponding class rates. For illustration, the great sugar refineries on the north Atlantic coast, drawing their supplies of raw sugar by sea, compete with the Louisiana refineries, using local raw material, and with the beet sugar refineries in the Central West. These refineries, because of the volume of their business, are able to secure very low commodity rates by sea to Savannah, Charleston, etc., whence the sugar is handled into the interior on comparatively low rates. The lines serving New Orleans and the Ohio River naturally desire to see the producers in their sections share in the traffic. As the class rates are too high to attain this object, commodity rates are established to the places thus able to secure low rates; then, as the market competition between the cities further inland and those near the coast makes itself felt, the former are able to secure a reduction in their respective rates on sugar.

The very low all-water class rates from the East to New Orleans do not necessarily estop or minimize the movement from the West of certain articles of common production under class rates; as to articles the move-

ment of which is large, the value relatively low, and the margin of profit small, the movement from the West on the class basis is prohibited. Thus, a commodity rate is brought about which is sufficiently low to enable the traffic to be handled freely.

In some instances, the lack of necessity therefor does not cause a commodity rate made to a particular point to be extended to other destinations on a relative basis. For example, a place like Atlanta has a larger number of commodity rates than has a smaller point like Albany. The interested carriers, however, are always ready to make a proper reduction at Albany should the necessity arise.

To local or non-competitive points, the same principles which bring about commodity rates to competitive points are also active, except that, due to natural conditions, there is a lack of necessity for any number of commodity items being published to these smaller stations. Should a factory at a local station between Macon and Atlanta require raw material from the West to enable it to compete successfully, rates will be established on about the same plane that would be established to Macon, the further distant competitive point. In the case of commodities, however, which are merely for distribution or consumption, the same method of making the through rates is employed as in connection with the class rates.

The outbound commodity rates from Southern Territory are not nearly so numerous as the inbound commodity rates. They are chiefly on natural or manufactured products which come into competition with the same or similar commodities produced at the outside places. Rates may be made to the East on a basis sufficiently low, if such is the requirement, to enable a free movement as against the same commodities produced in

the East; or a somewhat higher proportionate measure of rates may be made to the East because the competition that is to be met originates in the Central West and not in the East. The rates to the Ohio River Crossings are usually measured by the force of competition at the Ohio River, either locally or from like producing centers in the North. They are, in instances, somewhat lower than might be necessary to meet the local competition at the Ohio River, but as they are to be used in basing through rates to points north they are calculated accordingly.

Between points of origin there is a definite relationship just as exists in connection with the class rates, but there is not always the same relationship as between points of destination. While usually the relationship is carried out at the Ohio River, the rates to Memphis and New Orleans may be proportionately higher than would be the case under the southbound adjustment. Then, again, there is often to be observed lower relative rates to the East than to the West, or *vice versa*.

2. COMMODITY ADJUSTMENTS ON UNUSUAL BASES

While, in a broad sense, the commodity rates from Southern Territory follow very closely the general relationship between points of origin and between points of destination that has heretofore been described, there are some notable exceptions.

(a) *On Lumber*

The real beginning of the development of the vast yellow pine resources of the South had its inception only thirty years ago, at a time when the forests of Michigan and Wisconsin were supplying the bulk of

the lumber used for common purposes. In the beginning, of course, the cutting of the timber was adjacent to the lines of railroad which were then in existence, and it was not until the supply was exhausted that branch roads for further development were built. At this time, yellow pine lumber was not generally known in the North and East, where the consumption of lumber was the greatest; the railroads more favorably situated made such rates as seemed best suited to induce a movement; the lines further removed were compelled to make somewhat higher rates to the North and West, but secured some advantages to the East, or the reverse, as the case was. The rates over a section of a given road would, however, be "blanketed."

After the southern product had become better known in the consuming territories, the stress of competition between the mills in the various sections and on different railroads, and the development of the production in Arkansas, Louisiana, and Texas, led to the adoption of a more coherent and satisfactory system of rates.

In the settlement of the existing rate situation in the South, so far as the destinations beyond the Ohio and Mississippi rivers are concerned, the producing territory was divided into groups or zones: the upper one bounded on the north by the limit of growth (roughly, near the southern boundary of Tennessee) and extending as far south as Vicksburg, Meridian, Montgomery, etc., and from the Mississippi River to the Savannah River and the sea; south of this group there was another, also extending across the territory, which was given a rate slightly higher, and so on. All producing points in each of these zones had the same rates.

In the competitive situation, the pivotal point was Cairo, Ill., which was the main basing point of the southwestern lines in making the rates to competitive

territory north. From the upper belt described, the rate to Cairo was the same as from the corresponding section west of the Mississippi River, but as the competition lessened as it proceeded east from Cairo, higher rates were made to the upper Ohio River Crossings. The rates to Evansville are higher than those to Cairo; the rates to Louisville are higher than those to Evansville; while the highest rates of all are found at Cincinnati. The through rates to points beyond the Ohio River are made on the lowest combination and apply via such junctions as best suit the physical requirements of the lines handling.

To Trunk Line Territory, the measure of the rates was worked out under entirely different conditions. The first production of yellow pine lumber and timber which sought the eastern market originated not very far west of the South Atlantic Ports and secured water transportation up the coast. To enable mills further in the interior to compete, the lines having long hauls towards the Potomac Gateways had to make comparatively low rates. Thus, mills as far removed as the Alabama-Georgia line have approximately the same adjustment as those much nearer the coast. The all-rail rates are adjusted to be somewhat higher than the rail-and-water rates, and the relationship between the all-rail rates to the North Atlantic Ports and the interior is measured by the differences in the proportions north of the gateways. If, for instance, the proportion from Richmond to an interior point in New York state is 3 cents higher than the proportion to New York City, the through rate will be that figure higher than the rate to the port.

To points intermediate to the border gateways, it had been the practice to apply rates which were made sometimes the same as the rates to the gateway beyond,

but more often a differential greater, or on the lowest combination. These contraventions of the long-and-short-haul principle have all been placed before the Interstate Commerce Commission and some have been adjudicated. The principal revision required was to make the rates to points intermediate to the Ohio River no greater than those to the more distant point.

The development of the hardwood section, which, mainly, is in Tennessee and Kentucky, began prior to any substantial movement of the yellow pine product. There are small sections of hardwood growth at various points in the yellow pine region; in Mississippi, however, they are of considerable size, but the development of such was not until a later date and has been usually coincident with the cutting of the pine. From the greater portion of the yellow pine district it has been the practice to carry the same rates on all classes of lumber as on yellow pine. There are exceptions, however, where the rates are made slight differentials higher, and in the case of gum and cottonwood slight differentials lower. From the old hardwood sections of Tennessee and Kentucky, the rate structure has been of a gradual development and, of course, the figures are considerably lower than from the section further south. These rates also have been, or are being, passed upon by the Interstate Commerce Commission, which has in view the requirement to conform to the long-and-short-haul principle or to secure authority for legal variance therefrom.

(b) On Cotton Goods

The manufacture of cotton in the South is today one of the most important developments of southern industry. Prior to 1880 there were but few mills in the

South, but now they are a most important factor in its manufactures. The present-day adjustment takes into account the old dominance of the New England mills. As the center of the competition in the Central West was Chicago, the same rate was made from the mills in central and northern Georgia and Alabama to Chicago as from Boston. A proportional rate to the Ohio River was arrived at by deducting from the Chicago rate the proportion required by the lines north of the river. This proportional rate is used in basing through rates to all points north of the Ohio River. The rate to the Ohio River Crossings, proper, was made by using the same rate to Cincinnati as from Boston and applying it also to the other cities. The rate from the same section to the East was fixed as low as could be successfully operated. The mills in the Carolinas are in two groups and carry lesser rates to the East than from those in Georgia; to the West they pay higher rates than do the Georgia mills.

There are a number of commodities produced or made in various sections of the South which have rates made to suit the conditions peculiar to each.

(c) *On Mica*

Mica is mined in a comparatively small area of North Carolina, and rates are made under the principle of affording a free movement.

(d) *On Furniture*

Furniture from the great manufacturing section of North Carolina is given rates, in all directions, to enable a free movement against a similar production, principally in the Grand Rapids, Mich., section. Furniture

rates from a number of other points in the South where the production is small, comparatively speaking, are made on the same principle, but keeping in mind, to a considerable extent, the dominating influence of the rates from High Point, N. C.

(e) On Pig Iron

Pig iron rates from furnace points in Alabama and Tennessee to destinations within the South are made as low as a commodity of this sort would warrant. To the North and East, where much the greater consumption of southern iron is found and where the great furnace centers of the country are located, the rates necessarily have to be adjusted to afford as free a movement into that territory as possible considering the keen competition. Comparing the rates to the North and into the interior South from a distance point of view, it would seem that the latter are fairly adjusted. The theory here is to admit of the manufacturers of iron competing with those of other sections which have more favorable conditions.

It seems unnecessary to describe more of these adjustments, which might be termed isolated ones, because to do so would be a mere repetition of facts.

CHAPTER XXIII

THE LONG-AND-SHORT-HAUL PROVISION OF THE FEDERAL LAW

1. EARLY VIOLATIONS

There is perhaps no feature of the Act to Regulate Commerce that has been the occasion of so much litigation as the fourth section thereof,¹ which, as originally enacted on February 4, 1887, provided, in part, as follows:

That it shall be unlawful for any common carrier subject to the provisions of this Act to charge or receive any greater compensation in the aggregate for the transportation of passengers, or of like kind of property, under substantially similar circumstances and conditions, for a shorter than for a longer distance over the same line or route in the same direction, the shorter being included within the longer distance.

To appreciate the necessity of this legislation, it becomes necessary to give a brief resume of the conditions that obtained relative to this feature of our commerce prior to the passage of the Act.

To begin with, the transportation interests prior to this time had not been welded into a great system but were composed of various independent units, each with a differing policy or interest to serve, which was deemed by it as paramount to all others.

Again, by far the greatest amount of traffic moved then as it does now from the Middle West to the Atlantic Seaboard. As the traffic of the products of

¹Reproduced in Appendix A.

the mines, of the forests, and of the farm moved in immense volume, all lines desired to enjoy a share of this trade and the means employed in some cases in obtaining it were questionable, to say the least. Secret rate-cutting was usually employed by the weaker lines to increase their share of tonnage or to favor a particular shipper. It was not unnatural for the traffic manager of some road, therefore, upon learning that the products of a particular mill, industry, or district were moving entirely by way of a competing line, to assume that his rival was not adhering to the agreed rates and to go "shopping" on the account of his own line, offering such inducements as were necessary to divert the traffic to his line. The policy, however, of all the stronger lines in the territory was to meet this form of competition by open reductions, which meant a horizontal lowering of all rates; that is, the intermediate non-competitive points would enjoy the same rates as those to the competitive point.

That this condition of affairs existed was not attributable to the carriers alone, as is evidenced by the fact that many of the large industries, packing house interests, millers, brewers, iron and steel mills, etc., controlled such a volume of traffic that they practically announced the rates that they would pay and the rates that they would not pay on their traffic. Not infrequently these industries would be heavy stockholders in a transportation company and possibly be represented on its directorate. Naturally, under such a state of affairs, rate wars were of frequent occurrence and often when the war was at its height the shippers found that they could ship to New York from Chicago or St. Louis for less than they could ship over the same road to Pittsburgh or Buffalo; or, in the case of rival jobbers buying in a common market, one might obtain an advantage over the other

by obtaining a concession of 10 or 15 cents per 100 pounds on the commodity dealt with.

The wisdom of such a policy is probably best evidenced by the number of railroads in this country that went into bankruptcy during this period. Legitimate competition has been styled as the "life of trade," and rightly so; but when competition becomes suicidal in its nature, endangering the prosperity of our country by paralyzing business and imperiling the investments of our people, it becomes necessary to restrain its influence so that the greatest public benefit will be derived. Although secret rate-cutting was indulged in to some extent in the South, it was not nearly as extensively employed as in other sections of the country; as a matter of fact, the common-point system itself caused the dissatisfaction. It was difficult to explain why a carrier could bring traffic through a non-competitive local point to a further distant competitive point at a given rate, but was unable to stop the freight at the shorter-haul point without making a higher charge. In other words, the effect that water and market competition exerted upon rates was not apparent to the layman, who naturally assumed that if the carriers made a rate of 95 cents from Louisville to Savannah, they were practicing a rank discrimination in exacting a rate sometimes 50 cents higher on traffic which was not only intermediate but in some cases a hundred or two hundred miles nearer the originating point. These are some of the causes which led to the formulating of the Act to Regulate Commerce.

Considerable stress is laid upon the words "under substantially similar circumstances and conditions" as incorporated in the original statute, for this in itself gives evidence that the framers of the law had in mind that there might be circumstances which would justify the carrier in charging less for the long than for the

short haul. As before stated, the rate wars had the effect of sometimes making the rates to the seaboard less than the rates to interior points removed a considerable distance therefrom. Consequently, it was a perplexed, oftentimes a wrathful, patron who demanded to know why he was charged more for the movement of a carload of produce to Utica, N. Y., than for a shipment of like kind to the seaboard, although the car for the latter point passed through the former on its way east. Similarly, the lines serving the Ohio River from the region of the Great Lakes, when called upon to meet the exceedingly low rates to the Ohio River Crossings, forced upon them by competition, did not feel warranted in reducing their rates to their local stations intermediate to the terminal points involved, but held them on the normal basis, although they were higher than the rates established to the more distant points.

Instances such as these, however, illustrate traffic handled under substantially the same circumstances and conditions, although some have contended that the element of competition between carriers of like kinds is in itself a dissimilar circumstance that does not have to be considered except at such points at which it exists. However that may be, it seems that this was one of the evils toward which the fourth section of the Act was primarily directed.

Following the passage of the Act, the carriers in Official Classification Territory, almost without exception, adjusted their rates to conform literally to the law; as far as rates in that territory are concerned, very few violations of the fourth section exist, except in the case of some of the north and south lines under the percentage adjustment of rates to and from Trunk Line Territory, of which the Cincinnati, Ham-

ilton & Dayton Railway Company may be given as an illustration. Toledo, Ohio, the northern terminus of this line, is in 78 per cent territory, while Cincinnati, Ohio, the southern terminus, is in 87 per cent territory.² Under the percentage system of making rates between Trunk Line and New England territories on the one hand and Central Freight Association Territory on the other hand, the rates from 87 per cent territory are in all cases higher than the rates from 78 per cent territory, and if the traffic of this line moved to the East in all cases via Toledo, no violation of the long-and-short-haul provision of the Act would occur. Such, however, is not the case, as this company is in active competition with the direct lines serving Toledo and the East for traffic to that territory, handling the business in some cases by way of Cincinnati, Ohio, in connection with the Chesapeake & Ohio Railway or the Norfolk and Western Railway. Consequently, when the business is so handled, the traffic from the lower rated point, i. e., Toledo, Ohio, located in 78 per cent territory, is taken through a higher rated point, i. e., Cincinnati, Ohio, located in 87 per cent territory.

In this case, however, it is claimed in behalf of the Cincinnati, Hamilton & Dayton Railway that these rates are forced upon them by the direct lines over which they have no control and that they have no voice in making the rates. Petitions have been filed by them to this effect, asking relief from the fourth section of the Act.

2. THROUGH TRAFFIC V. LOCAL TRAFFIC

Another feature to consider is that by far the greatest volume of tonnage on a railroad moves to

²See Maps 3 and 4, Atlas of Traffic Maps.

competitive points and that the local traffic contrasted therewith is but a relatively small percentage of the total. It has been stated that it costs the carrier more to handle the traffic of the small local stations than it does to handle the traffic of the larger competitive terminals. For example, it was shown by testimony adduced in the first long-and-short-haul investigation, in support of one of the applications presented, that the carrier was able to show more clearly and distinctly than is commonly possible the lower cost on long-haul freight. It claimed that the through business on its 450 miles of road was transacted by different trains from the local stations and that these moved much more rapidly and carried vastly the most freight to the train; also that the number of men was much less in proportion not only upon the trains but for the station and terminal service and consequently all items of expense were much smaller. These facts, which were apparent to the customers of the road, together with the peculiarly effective water competition, which affected principally the through traffic, influenced intelligent men doing business at local stations to admit, in giving evidence, that it might be just and even necessary in some cases to make a greater charge for the shorter haul.³

The late Gen. E. P. Alexander, Associate Editor of *The Railroad Gazette*, very effectively presented the principle of the long-and-short-haul application by the following illustration:⁴

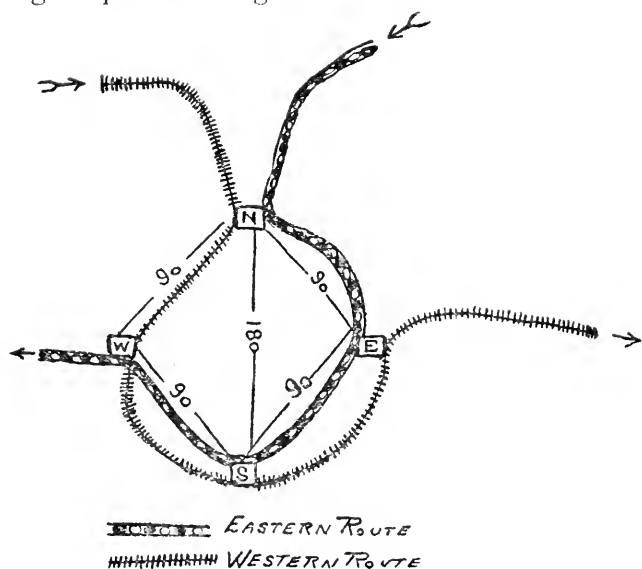
Buggies are manufactured largely in Cincinnati, and still more largely in Baltimore, New York and eastern cities; so that as Cincinnati buggies are carried into territory more cheaply reached from the east, this transportation—like that of coal toward Newcastle—becomes less and less valuable as

³1 I. C. C. Rep., 283.

⁴*Compendium of Transportation Theories.*

it reaches places accessible to eastern cities by cheaper routes either of rail or water; and the railroads running from Cincinnati have always adjusted their rates accordingly. On the rail line, for instance, extending southeast from Cincinnati to Charleston, via Chattanooga, Atlanta and Augusta, the influence of eastern buggies was felt wherever a transportation line from the east came in. At Chattanooga it was of slight consequence, at Atlanta it was important, at Augusta it was of controlling force, and at Charleston it was overwhelming. The rates from Cincinnati increased gradually until after passing Atlanta far enough to be affected by eastern buggies coming up via Augusta. There the rate reached its maximum, about half way between Atlanta and Augusta. Thence it decreased, and was the same at Augusta as at Atlanta, and at Charleston it was still lower.

He continued by giving a simple illustration making clear the essential features of nearly every case in the United States where competition of routes leads to lower charges upon the longer hauls.



Imagine four cities, N, E, S and W, at the North, East, South and West points of any closed figure, as a circle. Then let an eastern railroad run from N through E and S to W, and a western from N through W and S to E. There are then two overlapping routes from N to each of the two other cities, an eastern and a western. To S they are practically of equal length, but to E the eastern is much the shorter, and to W the western. Let 90 be a reasonable average rate from N to E or W, and 180 the same to S; or one for each degree of the circle traversed.

Now, if no restriction is placed on competition, the eastern route will not only compete with the western at S, but clear around to W; and while it could not hope with its longer distance to do a very large share of the business, yet it might get some remunerative employment for idle cars and engines in a dull season. But it could not charge more than 90 for the service, perhaps not even quite so much, for its service would be much slower than that of the western route, let us say 87. Similarly, too, will the western route compete for freight from N to E through S at 87.

Now let it be declared illegal to charge more for the shorter haul than for the longer, and what will be the result?

As a penalty for engaging in competitive business to E and W each road must reduce its rates at S from 180 to 90 or 87, as well as all other rates at intermediate stations which exceed 87. Neither road could afford to give up a large business at average rates for a smaller business over a longer line and at a reduced rate; so it would simply withdraw from the long haul business, and would enjoy a monopoly of what it had the short haul on. * * *

It may be objected that no two single roads overlap each other, as in the figure suggested above. But by their innumerable connections working with them as through lines, nearly all competing lines do overlap and intersect and interlace in even a far more complicated manner.

So in conclusion it may be stated briefly that every case of competition of routes has its essential principles perfectly illustrated in the figure suggested above, and every case of

competition of products and of markets has its principles perfectly illustrated in the old proverb that it is labor lost to carry coals to Newcastle. * * *

While the carriers in Official Classification Territory attempted to conform literally to the requirements of this statute, those in Southern Territory did not, alleging a dissimilarity of conditions and citing the competition that they had to meet, viz., that of the ocean lines serving the South Atlantic and the Gulf ports and that of the lines operating upon the inland waterways over which they or the Interstate Commerce Commission had no control, and whose rates were and are much less than would be the rates from the rail lines if they were not called upon to meet the competition.

3. THE FIRST LEGISLATION

As the original Act provided that the judgment of the carriers in respect to the circumstances and conditions was not final, it was subject to the authority of the Interstate Commerce Commission and of the courts to decide whether the intent of the statute had been violated or not. The burden of the proof was placed upon the carriers to justify any departure from the literal application of the fourth section. Consequently, the first case of much note before the Interstate Commerce Commission was an investigation as to the petition of the carriers in this territory for relief from the provisions of the Act.⁵ Exhaustive testimony was taken by it at Atlanta, Ga., Mobile, Ala., New Orleans, La., and Memphis, Tenn. Representatives of rail lines, steamship and steamboat companies, commercial plants and industries, boards of trade, and exchanges of various

⁵1 I. C. C. Rep., 76, 291.

kinds appeared before the Commission to give testimony.

In announcing the findings of the Commission in this investigation,⁶ the Hon. Thomas M. Cooley, of Michigan, Former Chairman of the Commission, stated as follows:

The points that are intended to be decided at this time are as follows:

First. That the prohibition in the fourth section against a greater charge for a shorter than for a longer distance over the same line, in the same direction, the shorter being included within the longer distance, as qualified therein, is limited to cases in which the circumstances and conditions are substantially similar.

Second. That the phrase "under substantially similar circumstances and conditions," in the fourth section is used in the same sense as in the second section; and under the qualified form of the prohibition in the fourth section, carriers are required to judge in the first instance with regard to the similarity or dissimilarity of the circumstances and conditions that forbid or permit a greater charge for a shorter distance.

Third. That the judgment of carriers in respect to the circumstances and conditions is not final, but is subject to the authority of the Commission and of the courts, to decide whether error has been committed, or whether the statute has been violated. And in case of complaint for violating the fourth section of the Act, the burden of proof is on the carrier to justify any departure from the general rule prescribed by the statute by showing that the circumstances and conditions are substantially dissimilar.

Fourth. That the provisions of section 1, requiring charges to be reasonable and just, and of section 2, forbidding unjust discrimination, apply when exceptional charges are made under section 4 as they do in other cases.

Fifth. That the existence of actual competition which is of controlling force, in respect to traffic important in amount, may make out the dissimilar circumstances and conditions entitling the carrier to charge less for the longer than for the shorter haul over the same line in the same direction, the shorter being included in the longer, in the following cases: 1, when the competition is with carriers by water which are not subject to the provisions of the statute; 2, when the competition is with foreign or other railroads which are not

⁶1 I. C. C. Rep., 291.

subject to the provisions of the statute; 3, in rare and peculiar cases of competition between railroads which are subject to the statute, when a strict application of the general rule of the statute would be destructive of legitimate competition.

Sixth. The Commission further decides that when a greater charge in the aggregate is made for the transportation of passengers or the like kind of property for a shorter than for a longer distance over the same line in the same direction, the shorter being included in the longer distance, it is not sufficient justification therefore that the traffic which is subjected to such greater charge is way or local traffic, and that which is given the more favorable rates is not.

Nor is it sufficient justification for such greater charge that the short haul traffic is more expensive to the carrier, unless when the circumstances are such as to make it exceptionally expensive, or the long haul traffic exceptionally inexpensive, the difference being extraordinary and susceptible of definite proof.

Nor that the lesser charge on the longer haul has for its motive the encouragement of manufacturers or some other branch of industry.

Nor that it is designed to build up business or trade centers; nor that the lesser charge on the longer haul is merely a continuation of the favorable rates under which trade centers or industrial establishments have been built up.

The fact that long haul traffic will only bear certain rates is no reason for carrying it for less than cost at the expense of other traffic.

As the petitions of the carriers were acted upon individually, the Commission's order, in so far as the Louisville & Nashville Railroad is concerned, may be taken as representative of the policy adopted at that time.

The order for temporary relief which was made in favor of the petitioner, will be allowed to remain in force until the day originally limited for its expiration; and in the meantime its officers will have the opportunity to make thorough revision of its freight and passenger tariffs, in order to bring them as nearly as may be reasonably feasible into harmony with the general rule of the statute and with the views expressed in this opinion. That they may be brought much

nearer to conformity than they now are without the sacrifice of any substantial interest, we have very little question; and as business adapts itself to the new principle established by Congress, it will no doubt be found that exceptions can safely and steadily be made less and less numerous.⁷

As has been illustrated before, there are very few adjustments in the South which conform either actually or in principle to the long-and-short-haul provision of the law. Practically all of the southern officials at the time the Act was passed based their petitions upon the conclusion that competition beyond the control of any one of them formed a circumstance or condition which warranted a departure from the law and that the higher rates to the intermediate points should be adjudged individually under the provisions of the law requiring reasonableness and forbidding undesirable discrimination or undue or unreasonable preference or advantage. In at least two instances, however, this interpretation was, at the time, not accepted, and as a consequence the rates between Cincinnati and Chattanooga over the short line and between Richmond and Atlanta over the short line were revised to follow literally the fourth section. Later, the interpretation accepted by the majority of the officials having been justified by court decisions, no further attempt was made to follow the accepted policy adopted with respect to the rates mentioned, although it may be said that there has been practically no advance in the rates.

4. CONFLICT WITH LAW

Such was the condition of affairs until Congress passed an amendment to this section of the Act on June 18, 1910, eliminating the words "under substantially

⁷1 I. C. C. Rep., 290.

similar circumstances and conditions," and thereby in effect requiring the railroads literally to initiate no higher rates under any circumstances or conditions to an intermediate point than to a further distant point on the same line or route in the same direction. At the same time, however, Congress very wisely vested the Interstate Commerce Commission with authority to grant variations from the principle when, in the discretion of that body, such might be justified.

The significance of the striking out of the words referred to may best be expressed in the following remarks of the Interstate Commerce Commission.

* * * For 20 years this Commission has made no order of consequence under that section which could be enforced, and this because of the existence of these words. Their presence has rendered futile the prohibition of the section and has made it impossible to give any effect to the proviso which allowed the Commission to designate the instances in which the rule of the prohibition might be departed from.

In view of these facts what was probably the intention of Congress in removing that phrase from the statute? It is earnestly contended by the carriers that the only effect was to take from the railway the power of initiative. The carrier can no longer judge in the first instance whether it may disregard the rule of that section, but is compelled to submit that question to the Commission. * * *

The effect of the present section is certainly to require carriers to first obtain from the Commission leave to depart from the rule of that section, and that of itself is a most significant and important thing. There is certainly a wide difference between the situation formerly, when some complainant must attack the existing rate and make good by evidence his complaint, and now, when the railroad must assume the burden of its justification. It is a matter of consequence that every discrimination of this sort must be brought directly to the attention of the Commission and passed upon by that body, but we think that something beyond this was in the legislative mind. * * *

It was the manifest intent of Congress not only to provide by the amendment of this section that carriers must become the advancing party in justifying this particular species of

discrimination, but also to give to the Commission some effective power to deal with the case when presented. * * *

Bearing in mind the authority which the Commission now administers in prescribing a reasonable rate and in declaring and correcting an undue preference, it seems evident that the purpose of Congress was to commit to this body the duty of determining whether if the carrier was permitted to charge a higher rate at the intermediate point that would result in a violation of the provisions of the act. But in so doing the Commission cannot act arbitrarily. It must investigate each case, and if after such investigation it is of the opinion that a departure from the rule of the fourth section would not result in unreasonable rates or undue discrimination it must permit that departure. If, upon the other hand, it is of the contrary opinion, it must refuse the permission. Such is the only possible construction which can be put upon this section in connection with the entire act, and if any doubt as to the real purpose of Congress could exist, it must be effectively put at rest by an examination of the history of the passage of this measure. * * *

We hold that under the amended section it is the duty of the Commission to investigate each application made by a common carrier for leave to depart from the rule of the section. If we are of the opinion, upon a view of the entire situation, that to grant the application will not result in unjust or discriminatory rates and practices, then it should be granted; otherwise it should be denied; and the Commission may, if in its opinion an unlimited departure from the rule of the section ought not to be granted but that a limited departure should be, prescribe in any way that is definite and certain the extent to which the departure may be made.

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CHAPTER XXIV

THE LONG-AND-SHORT-HAUL PROVISION OF THE FEDERAL LAW—Continued

1. REVISED LEGISLATION

Adopting the means provided, the railroads in the South jointly and severally filed petitions with the Interstate Commerce Commission, asking for relief under the revised fourth section and for authority to continue their existing bases and adjustments.

Concerning the greater portion of the territory and much the greater portion of the traffic involved, the Commission held lengthy hearings, taking all the evidence to be offered both by the railroads and by the interested public; the cases were then briefed and argued. The facts and arguments brought forward to sustain the applications for relief and the principles which justified the granting of the applications can only be described in outline because of lack of space.

The subject matter naturally falls into two grand divisions: (1) The rules of law that were sought to be recognized and applied and (2) the facts and the arguments on the facts.

(a) The Rules of Law

The rules of law were founded partly on common-law principles, but chiefly on the construction placed by the Supreme Court upon the fourth section of the original

Act and by the Commerce Court on the amended fourth section.

1. Substantial dissimilarity of circumstances and conditions may justify common carriers in charging greater compensation for the transportation of like kinds of property for a shorter than for a longer distance over the same line.¹

2. Competition is one of the most obvious and effective circumstances that make the conditions under which a long and a short haul is performed substantially dissimilar, and as such must have been in the contemplation of Congress in the passage of the Act to Regulate Commerce.²

The settled construction of the Interstate Commerce Act allows carriers to charge the lesser rate for the longer than for the shorter distance, if at the further point the lesser rate is justified by a substantial dissimilarity of circumstances and conditions there prevailing, consequent upon real competition.³

3. The materiality of competition arising from carriers who are subject to the Act to Regulate Commerce may be considered; likewise, competition not originating at the initial point of the traffic.⁴

What was decided in the previous cases was that under the fourth section of the Act substantial competition which materially affects transportation and rates might under the statute be competent to produce dissimilarity of circumstances and conditions to be taken into consideration by the carrier in

¹*I. C. C. v. Alabama, etc., R. R. Co.*, 168 U. S., 144, 170; *I. C. C. v. Louisville, etc., R. R. Co.*, 190 U. S., 273; *Texas, etc., R. R. Co. v. I. C. C.*, 162 U. S., 197, 220.

²*I. C. C. v. Alabama, etc., R. R. Co.*, 168 U. S., 144, 164; 42 L. Ed., 414; *I. C. C. v. Louisville, etc., R. R. Co.*, 190 U. S., 273; 47 L. Ed., 1047; *Texas, etc., R. R. Co. v. I. C. C.*, 162 U. S., 197; 40 L. Ed., 940; *Louisville, etc., R. R. Co. v. Behlmer*, 175 U. S., 648, 654, 655, 667; 44 L. Ed., 309; *East Tennessee, etc., R. R. Co. v. I. C. C.*, 181 U. S., 1, 12; 45 L. Ed., 719.

³*I. C. C. v. Louisville, etc., R. R. Co.*, 190 U. S., 273, 284; 47 L. Ed., 1047.

⁴*Louisville, etc., R. R. Co. v. Behlmer*, 175 U. S., 648; 44 L. Ed., 309; *I. C. R. R. Co. v. I. C. C.*, 206 U. S., 441, 457; 51 L. Ed., 1128.

charging a greater sum for a lesser than for a longer haul. The meaning of the law was not decided to be that one kind of competition could be considered and not another kind, but that all competition, provided it possessed the attributes of producing a substantial and material effect upon traffic and rate making, was proper under the statute to be taken into consideration.⁵

4. The competition of river lines of transportation may be taken into consideration.

Competition of river lines of transportation is a factor to be considered when determining whether property transported over the same line is carried "under substantially similar circumstances and conditions" as that phrase is found in the fourth section of the Interstate Commerce Act.⁶

5. The Interstate Commerce Act was not designed to prevent competition.⁷

6. Differences between the cost of conducting the intermediate local traffic and the through business may also constitute a dissimilarity of circumstances under the fourth section of the Act to Regulate Commerce.

7. The denial of the right to engage in competition at the further distant points is a deprivation of a right of property such as is forbidden by Article Five of the amendments to the Constitution of the United States.

8. Unless the intermediate rates are proved to be unreasonable by substantial evidence, the Commission may not lawfully require them to be reduced by denying an application for relief under the fourth section of the Act.

9. To require a carrier either to reduce its intermediate rates or to retire from the long-haul traffic by

⁵Louisville, etc., R. R. Co. v. Behlmer, 175 U. S., 648, 670; 44 L. Ed., 309.

⁶I. C. C. v. Alabama, etc., R. R. Co., 168 U. S., 144; 42 L. Ed., 414; I. C. R. R. Co. v. I. C. C., 206 U. S., 441, 457; 51 L. Ed., 1128.

⁷I. C. C. v. Alabama, etc., R. R. Co., 162 U. S., 144, 165; 42 L. Ed., 414; I. C. C. v. Baltimore, etc., R. R. Co., 145 U. S., 263; 36 L. Ed., 699; Texas, etc., R. R. Co. v. I. C. C., 162 U. S., 197; 40 L. Ed., 940; I. C. C. v. Alabama, etc., R. R. Co., 168 U. S., 144; 42 L. Ed., 414.

denying its fourth section application is to punish it for meeting competition at the longer distant points; it was lawful to meet that competition and such a denial, therefore, really imposes a penalty for an act which was lawful when done; this is forbidden by the ninth and tenth sections of Article One of the Constitution of the United States.

10. The proviso of the amended fourth section authorizing the Commission to grant relief in special cases is mandatory and not merely discretionary, and under it the Commission must, as a matter of law, grant relief in all cases where it is affirmatively shown that the lower rates to the longer distant points are necessitated by competition; that the rates to the intermediate points are just and reasonable within the purview of the first section of the Act to Regulate Commerce; and that the intermediate destinations are not being subjected to any undue prejudice in violation of the third section of that Act.⁸

(b) Facts Adduced in the Case

1. The facts submitted in justification of the existing situation at the long-haul competitive points were related to (a) the historical development of the existing adjustments; (b) the present competitive situation; and (c) the reasonableness of the present rates.

(a) The location, origin, and early history of each city was shown, and the causes for its growth and development into a trade center were analyzed and described. Chief among these causes at most of the cities dealt with were their naturally advantageous locations on navigable waterways and the consequent

⁸Atchison, Topeka & Santa Fe Ry. Co., et al., v. United States, 191 Fed 856, Commerce Court.

relatively low transportation charges they were able to obtain long before there were any railroads at all. The location of these cities always had given them lower freight rates than the inland intermediate towns, and the railroads had simply recognized and continued a system of transportation charges that was already in existence when they were constructed and that they were powerless substantially to modify or control.

It was shown that other cities owed their low rates to long years of strife and competition between numerous rival railroads coming in from every direction. Still other places have received low rates by the policy of some one railroad establishing a distributing center on its lines in order to compete for the freight in the surrounding country with some jobbing center on another road which, through natural and proper conditions, had been able to induce or force a low level of rates for itself. Others owed their position, either directly or indirectly, to decisions of the Interstate Commerce Commission. In every instance, the facts were carefully set forth, the history of the rate adjustments themselves were carefully traced and fully presented, and the changes in specific rates were given for as far back as the records would permit.

(b) The railroads and the water lines, if any, serving each city were shown. The actual or the potential water competition, if any, was described. Exhibits were filed showing the names of the railroads composing the routes and the number of routes competing from each point of origin and from each general section to each competitive destination. At points located on navigable waterways the amount of traffic handled by water carriers to such points for a representative period was shown. The practicability, or otherwise, of advancing the rates to each of the water competitive

points was fully dealt with. The dissimilarity between the conditions under which traffic is transported from various points of origin to various competitive destinations and the conditions under which traffic is handled to the intermediate local stations was emphasized and described; this dissimilarity, in most instances, arises from the presence at the longer-haul points of actual controlling competition that does not exist at the intermediate stations.

It was also testified that the longer-haul rates were in no case made less than was required by the competitive conditions existing at the particular destination and that the carriers had never voluntarily or arbitrarily created any of the cities as basing points or trade centers for the mere purpose of preferring them to other places, but each of them had become such owing either to its location on navigable streams or on two or more competing railroads serving different sections, or because of some exceptionally strong competitive condition.

(c) Comprehensive evidence was submitted to prove that the rates to each of the further distant competitive points dealt with are unusually and abnormally low, having been made so by competition. This was sought to be demonstrated (1) by comparisons with numerous other rates for similar distances in the same section of the country and considered to be reasonable in the absence of competition; (2) by comparisons, in some cases, with other competitive rates; (3) by comparisons with higher rates formerly in effect; and (4) by comparisons with local scales or lowest combination rates such as would have been charged to each destination in the absence of competition and which would have been considered as entirely reasonable were it not for the competition.

The fact that these longer-haul rates are unreasonably low having been demonstrated, it was argued that such rates afford no just measure of the reasonableness of the intermediate rates and that the carriers ought not to be required to accept them at the intermediate points. It was urged that competition, actual or potential, bona fide and lawful, was the sole reason for the relatively low rates in effect at the further distant points; also, that the suggestion that the rates to the further distant points are not competitive rates because they are made the same by all competing railroads was unfounded in fact and fallacious in theory. The suggestion that since the petitioning railroads have freely elected to compete at the further distant points, the lower rates to such points were voluntarily made and are therefore not justified or compelled by competition, it was shown, was equally erroneous and fallacious.

Elaborate arguments were submitted in favor of allowing the carriers to meet water competition, market competition, and competition of other railroads, as well as in favor of the contention that it is to the public interest to allow the carriers to continue the relatively low rates and the departures from the long-and-short-haul rule covered by the petitions under consideration. This argument, in turn, was supported by showing what the present public policy of the southern states is as to that matter, and also by showing that the present policy of the United States is in favor of free competition, such being deduced from the various national laws, from the anti-trust laws, and from the Act to Regulate Commerce itself.

2. Evidence dealing with the charges to the intermediate points included facts relating to (a) the history and the basis of the intermediate rates; (b) their reasonableness, *per se*; (c) their relative reasonableness:

(d) the relative higher cost of handling the intermediate local traffic; (e) the effect of a denial of the relief asked for upon the intermediate rates and revenues of the petitioning carriers; (f) the increasing costs of operation and the inability of the petitioning carriers to sustain any substantial reduction in their rates and revenues; and (g) certain collateral features.

(a) The existing policy of fixing rates to local stations in the South—that is, on a progressive mileage scale, but not in excess of the lowest combination for one-line hauls and on the basis of the lowest combination for hauls over two or more lines—was elaborately discussed and described, both from the historical and from the practical standpoint. The genesis of this method of rate adjustment was shown and also its gradual logical development. The fact that it is today logically and historically connected with, and the outgrowth of, the earliest practices of transportation companies of various kinds was strongly emphasized.

The fact that the local scales which formed the ground work of the existing intermediate rates are themselves just and reasonable charges from the standpoint of the public (many of them being fixed by state commissions) was sought to be demonstrated. On argument it was urged that as a matter of law a railroad handling traffic, say, from Atlanta, Ga., has a right to charge the same rate therefrom on traffic originating beyond Atlanta and delivered to it by a connecting line as it charges on shipments from Atlanta, proper, and that the exercise of this right is chiefly responsible for the present lowest-combination basis prevailing in the South; hence, that this basis is itself sanctioned by law. Again, it was pointed out that the use of this lowest-combination basis gives the non-competitive points all the benefit of the competition at the common

points to which their location entitles them and frequently results in giving them lower rates than they would otherwise receive.

Numerous decisions of the Supreme Court and of the lower federal courts were cited, to the point that the combination basis is lawful and is not as a basis condemned by any of the provisions of the Act to Regulate Commerce. Specifically, it was pointed out that in the LaGrange case⁹ the Supreme Court upheld and approved particularly the combination basis. It was said in so many words that such neither resulted in unreasonable rates to LaGrange under the first section of the Act, nor in an undue prejudice against LaGrange in violation of the third section of the Act.

(b) Elaborate testimony was presented in order to demonstrate that, in comparison with rates usually and normally charged in the South for similar hauls under like circumstances, the specific intermediate rates dealt with in these particular proceedings were just and reasonable in and of themselves.

On argument it was pointed out that there is a presumption of law, as well as of fact, that the intermediate rates are just and reasonable and that no evidence at all had been introduced to overcome this presumption; hence, it was urged that the mere fact that lower rates happen to be in force to certain further distant competitive points could not lawfully be held to prove the unreasonableness of the higher intermediate rates; many court decisions so holding were cited in support.

(c) It having been affirmatively shown (1) that the intermediate rates were reasonable, (2) that the further distant rates, although lower, were compelled by actual

⁹190 U. S. 273.

competitive circumstances which exist at the latter but not at the former places, and (3) that the preference to the further distant points was not the result of any wrongful or voluntary act on the part of the carriers, it was argued, as a matter of law, that it followed that the existing rate situation does not subject the intermediate points to any undue or unlawful prejudice or disadvantage in violation of the third section of the Commerce Act; various decisions of the Supreme Court and of the lower federal courts so holding were adduced in support of the contention.

Very full evidence was submitted which demonstrated that the existing disparities between the rates to the intermediate points and those to the further distant competitive points are never greater, and in most instances lower, than those in effect from the longer-haul points back to the intermediate destinations, the result being that merchants at the intermediate points can buy from primary markets and sell in their own towns and vicinity in competition with the merchants at the competitive trade centers. In addition, it was proved that the intermediate towns and the intermediate territories have been and are increasingly prosperous under the existing adjustments.

On these facts it was urged, on authority of the Commerce Court's decision in the intermountain cases, that the charging of lower rates to the longer-haul points did not subject the intermediate destinations to any unlawful disadvantage.

(d) The evidence showing the relatively higher cost of handling traffic to the intermediate local station than to a further distant competitive point was stated in detail, being supported by the facts adduced by certain actual tests that had been conducted for the purpose and by analysis of these tests.

On argument it was urged that the cost differences would warrant the Interstate Commerce Commission in lawfully differentiating the rates.

(e) It was shown that the losses in net revenue to which the southern carriers will be subjected if their petitions for relief be denied and they are required to apply the existing long-haul competitive rates at all intermediate points as a maximum would be, approximately, \$16,000,000 per annum. It was urged that for this reason alone the applications for relief ought not to be denied, as the railroads of the South are unable to sustain any such enormous depletion of revenues.

(f) The railroads filed elaborate statements showing the increased costs of operation in all phases, including increased taxation. It was demonstrated that these increases had grown out of all proportion to the increase in revenues and that, as they have not been heretofore offset by any substantial increases in freight rates, the conclusion should be drawn that any substantial reduction in revenues consequent upon the enforcement of the long-and-short-haul rule would result in disaster to the southern carriers. Certain of the carriers were able to demonstrate that they are not now, even under the present relative adjustment of rates, earning a fair or just return.

(g) Logical reasons were given for the lack of uniformity in the local mileage scales, why the practice of the northern and eastern railroads in the matter of the long-and-short-haul rule should not control the rates or the practices of the southern railroads, and why the intermediate rates should not be made a percentage of the further distant rates.

The plea of the southern railroads may be summed up by quoting from the brief of one of the railroads.

To have a vast system of rates, such as the Southern rate fabric, suddenly and utterly all altered; to have the system of rates in use and operation from the Mississippi to the Coast and the Ohio to the Gulf, a system which has resulted from fifty years of strife and competition and compromise among the Southern railroad companies, the result of the best thought and labor of many of the greatest railroad men the country has produced, a system which has given, and is giving, general satisfaction, that is eminently practical, and entirely lawful—to have all this shattered at one blow into wreck and dissolution, is no small matter. To revolutionize the long-established business conditions of the South, and the channels of trade of the South, is an equally important thing. And to force such radical reductions in the rates and revenues upon the Southern railroad companies as will probably bankrupt some of them, and inevitably materially injure all of them, is of still greater magnitude. Yet all of these will undoubtedly result from a literal enforcement of the long and short haul rule of the fourth section of the Act to Regulate Commerce.

Therefore, because the present system of rate adjustment in the South is beneficial and satisfactory, alike to the carriers, and the public, because under the existing rate schedules, the intermediate non-competitive points are not subjected to unjust or unreasonable rates, or to undue or unreasonable prejudice or disadvantage, because the lower rates in force at the further distant competitive points have resulted solely from competition, and are still necessary because of competition, because Congress must have intended that the Commission should give the carriers relief from the operation of the long and short haul rule in just such cases as are presented and discussed in this argument, we respectfully and earnestly submit that our applications for such relief as to those cases should be, and of right ought to be, granted by this Honorable Commission.

2. THE 1914 DECISION

After reviewing the voluminous evidence and testimony introduced in this case, the Interstate Commerce Commission announced its decision on April 13, 1914,¹⁰ and stated, in part, as follows:

¹⁰30 I. C. C. Rep., 153-336.

In many situations we have found the rates to the more distant points justified by the competition there existing and the rates to intermediate points bearing reasonable comparisons with other rates made for like distances in the same territory under fairly similar conditions. In the absence of complaint with reference to the rates to such intermediate points, we shall permit for the present the continuance of the lower rates to the more distant points and the present higher rates to the intermediate points. This, however, must not be construed as a finding that these rates to the intermediate points are just and reasonable. In other situations we have found the rates to more distant points justified by competition there existing, and the rates to intermediate points not bearing reasonable comparisons with other rates for like distances in the same general territory. In such cases we should permit the continuance of the lower rates to more distant points and higher rates to intermediate points, provided the rates to intermediate points do not exceed the scale of rates hereinafter named.¹¹ This scale of rates is derived from an average of many rates made to noncompetitive points in the same general territory. The Commission does not express any opinion with reference to the reasonableness of such rates as may be established to intermediate points in accordance with their findings in this case. Both the rates established and the rates continued to intermediate points in the situations herein described are subject to complaint, investigation, and correction if in violation of any provision of the act. * * *

An investigation was carried on and testimony was developed in connection with this case, for the purpose of ascertaining the effect upon the revenues of the carriers in southeastern territory of an absolutely rigid enforcement of the long-and-short-haul clause of the fourth section accomplished by reductions in rates to intermediate points and without any increase in rates to long-distance points now taking lower rates. Thirty-three railway systems, operating upward of 29,000 miles of railway, and three steamship companies joined in a check concerning all freight traffic that moved from, to, or between points in this territory during certain respective periods. * * *

The periods selected were the first seven days of December, 1910, and the first seven days of March, June, and September, respectively, 1911. The purpose of the check was to determine—

¹¹See Table A, page 371.

First. The actual charges on the traffic that moved during these periods at the rates effective June 1, 1912.

Second. The charges that would have accrued on such traffic had the lowest rate applicable on such shipments to any more distant point been applied.

Third. The difference between the charges which actually accrued and those which would have accrued under the lower rates as maxima.

The differences so found on actual shipments moving during the 28 days taken were summarized and the result multiplied by 13 to obtain the approximate reduction in revenue for one year on all these lines if such reductions were made at the intermediate points. The reduction in revenue for one year, as ascertained by this check amounted to \$12,869,727.81. The gross freight revenue of all the lines that participated in the check, for the fiscal year ended June 30, 1911, was \$175,936,358.

The foregoing does not include estimated losses on a large number of small lines resulting from the application of the long-and-short-haul clause rule on the intraline traffic; that is to say, traffic which was not interchanged with the reporting lines, but which moved wholly between points on these small nonreporting lines. These smaller lines had an aggregate freight revenue during the same year of \$15,205,226. The total freight revenue of these reporting and small lines for the fiscal year ended June 30, 1911, was \$191,141,585. The computed losses were, as before stated, \$12,869,727.81, which amounts to 6.73 per cent of the total freight earnings. * * *

The total estimated losses accruing to all lines in southeastern territory, brought about by a rigid application of the long-and-short-haul clause in the manner above defined, would have been \$16,026,512 for the year considered. There are very nearly 39,900 miles of railway in this territory operated by approximately 140 different companies. For the fiscal year ending June 30, 1911, the records of 78 of these companies show a surplus varying from \$300 to \$8,500,000. Eight of the systems show a surplus of more than \$1,000,000; 16 show a surplus of between \$100,000 and \$1,000,000; 25 show a surplus of between \$10,000 and \$100,000; and 29 show a surplus of less than \$10,000. The total surplus shown is \$39,573,012 left to these various companies at the end of a year after paying operating expenses and fixed charges. Forty-five show deficits varying from \$500 to \$1,000,000 in amount and aggregating \$2,878,381. • • •

While the check as made showed without doubt the approximate loss to all of these lines that would result from the application of the long-and-short-haul clause in the manner as

sumed, the check did not show and could not show the losses accruing to each particular system. If it be assumed, however, that the losses as above computed would bring about a like reduction on all lines, it is clear that the surplus on the following-named 20 lines, aggregating 3,345 miles of railroad, would be wiped out. The surplus shown for the year 1911 would have been turned into a deficit on the Georgia Railroad; Louisville, Henderson & St. Louis Railway; Mobile & Ohio Railroad and Southern Railway in Mississippi; New Orleans, Mobile & Chicago Railroad; Aberdeen & Asheboro Railroad; Atlantic & Western Railroad; Atlanta & St. Andrews Bay Railway; Brinson Railway; Durham & South Carolina Railroad; Florida East Coast Railway; Georgia Southwestern & Gulf Railroad; Gulf Line Railway; Georgia & Florida Railway; New Orleans Great Northern Railroad; Pickens Railroad; Raleigh & Charleston Railroad; Sumter & Choctaw Railway; Sylvania & Girard Railroad; Tampa & Jacksonville Railway; and Tallahassee & Montgomery Railroad.

In addition to the railroads above named whose surplus would have been entirely wiped out by a rigid application of the long-and-short-haul clause as above described, three other lines, with an aggregate mileage of 2,280 miles of railway, would be subjected to such radical reductions as to reduce their surplus for the year to an almost negligible quantity. Among the most notable of such lines is the Central of Georgia Railway, a system comprising approximately 1,900 miles of railway and reaching to almost all points of the state of Georgia, with its northern terminus at Chattanooga, Tenn., western termini at Montgomery and Birmingham, Ala., and its eastern terminus at Savannah, Ga.

In round numbers, it may be stated that the mileage of all roads south of the Ohio River and east of the Mississippi River is 40,000 miles. The net surplus for the fiscal year 1911 per mile of road was \$917. Were the long-and-short-haul rule rigidly applied in this section and no increases made in rates to the lower rated points, the average net surplus per mile of road would be reduced to \$516.

While it is not possible to tell with any degree of certainty the exact effect upon the revenues of each of the lines individually, the check made leaves little room for doubt as to the ultimate average effect of such a change in rate making in this territory as above described. It is entirely clear that the revenues of a large percentage of the lines in southeastern territory would be so impaired by such a procedure as to make it impossible for them to meet their operating expenses, taxes,

and fixed charges and leave to their stockholders even a moderate return. • • •

From the foregoing it is seen that the allegations of the carriers have been sustained to a great extent and, as evidenced by the orders of the Interstate Commerce Commission issued in connection with this case, the strict observance of the long-and-short-haul principle was required in but few instances. The orders issued, however, indicate that the Commission was quite consistent in denying the continuance of rates to intermediate points which were on a higher basis than the actual combination of through rates to the base points plus the local rates therefrom.

A careful consideration of these orders is especially recommended to those who are interested in the shipping of goods from or to this territory, as many substantial reductions have been ordered which may influence to some degree commercial quotations that are based on existing rates of freight and the routes via which traffic has been previously forwarded to destination.

In conclusion, it is hoped, now that the meddlesome long-and-short-haul clause has been construed for all time in so far as this territory is concerned, that the general public will unite with the carriers in an endeavor to develop the basing-point system of rates to the highest stage of efficiency, in the belief that with this most perplexing question settled other differences are of small moment and are such as may easily be adjudicated between the parties interested.

TEST QUESTIONS

These questions are for the student to use in testing his knowledge of the assignment. The answers should be written out, but are not to be sent to the University.

1. What states are embraced in Mississippi Valley Rate Territory?
2. What is meant by the term "potential water competition"?
3. From the East to the Gulf ports, what route attracts the greatest volume of traffic?
4. In connection with the rates from Eastern Seaboard Territory, what is meant by the term "maximum absorption"?
5. With reference to the all-water rates to Gulf ports, how are the rates of the rail-and-water routes adjusted?
6. Upon what basis are the all-rail rates established from the Virginia Cities to the Gulf ports?
7. What is the relation of the rates to Mobile, Ala., as contrasted with the rates to New Orleans, La.?
8. On traffic to Vicksburg, Miss., what scale of differentials are the Gulf routes conceded on traffic from the East?
9. What adjustment is employed in establishing rates from Nashville, Tenn., to New Orleans, La.?
10. May the rates from Raleigh, N. C., to Mobile, Ala., exceed the rates from Lynchburg, Va., to the same destination?
11. Upon what basis were the rates from St. Louis, Mo., to New Orleans, La., primarily established?
12. Do the rates from Chicago, Ill., to New Orleans, La., reflect in any measure the rates from New York City to the same destination?
13. How are the rates established from interior points in the state of Illinois and from Central Freight Association Territory?
14. What is understood by a "differential adjustment"?
15. What are the class rates on the first six classes from Evansville, Ind., to Mobile, Ala.?

16. In connection with the New Orleans, La., adjustment, what may be said with reference to the application of rates from Cairo, Ill.?

17. What rates are applied from Lawrenceburg, Ind., to Mobile, Ala.?

18. Ashland, Ky., is ordinarily considered as a Western Termini; as such, what rates would be applied therefrom on traffic destined to New Orleans, La.?

19. Name the more important sub-territories or groups into which the larger part of Central Freight Association Territory is divided.

20. How are the class rates from Traverse City, Mich., to New Orleans, La., constructed?

21. On traffic originating at non-competitive points in the southeast, what is the general adjustment of rates to and from the Gulf ports?

22. Are the class rates and the commodity rates from St. Louis, Mo., fixed under the same principle?

23. Assuming that a commodity carried a rate of 21 cents from Nashville, Tenn., to Mobile, Ala., how would the rates from Peoria, Ill., be adjusted?

24. If a rate of $15\frac{1}{2}$ cents per 100 pounds were established from Cincinnati, Ohio, to New Orleans, La., what would be the rate from Milwaukee, Wis.?

25. If a rate of \$6 per ton of 2,000 pounds were established from St. Louis, Mo., to New Orleans, La., what would be the corresponding rate from Springfield, Ill.?

26. Assuming that the rate on pig iron from Chicago, Ill., to New Orleans, La., were \$2.75 per ton of 2,240 pounds, what would be the rate to apply from Louisville, Ky.?

27. How are the rates on shipments of live stock fixed?

28. Upon what basis are the rates to Gulfport, Miss., established?

29. What are the class rates on the first six classes from Detroit, Mich., to Pensacola, Fla.?

30. Is water service available at the present time between Memphis, Tenn., and St. Louis, Mo.?

31. Does water competition have to be observed in all cases in fixing the rates via the rail lines?

32. Is the grouping of territory for rate-making purposes the same in the case of Memphis, Tenn., as in the case of New Orleans, La.?

33. What are the current class rates from the St. Louis-Louisville group to Memphis, Tenn.?

34. Is the scale of differentials applicable from Peoria, Ill., to Memphis, Tenn., the same as that applicable in the New Orleans, La., adjustment?

35. What are the class rates from Savannah, Ga., to Memphis, Tenn.?

36. Is there any fixed basis for the adjustment of north-bound commodity rates from Mobile, Ala., to Memphis, Tenn.?

37. A commodity rate of 19 cents being established from Cincinnati, Ohio, to Memphis, Tenn., what is the corresponding rate from Chicago, Ill.?

38. Under what adjustments are the all-rail class rates from New York, N. Y., to Memphis, Tenn., constructed? What are the current rates?

39. What are the present rail-and-water rates from Boston, Mass., to Memphis, Tenn.?

40. What is to be understood by the term "interior Mississippi Valley points"?

41. Are the rates charged by the carriers on local traffic regulated to any extent by the rates charged by the other carriers?

42. How are the rates from Knoxville, Tenn., to local stations on the Alabama & Vicksburg Railway constructed?

43. What differential adjustment is used in establishing the rates from Chicago, Ill., to local stations on the Illinois Central Railroad?

44. What is to be understood by the expression "lowest combination as maxima"?

45. To stations on the Mobile & Ohio Railroad south of Corinth, Miss., how are the rates fixed from Birmingham, Ala., and group?

46. To what cause may be attributed the low scale of rates applying from New York City to Vicksburg, Miss.?

47. Name some of the more important points in Buffalo-Pittsburgh Territory.

48. What are the rates on the first six classes from Carterville, Ill., to Meridian, Miss.?

49. What are the rates on Classes A, B, and C from Milwaukee, Wis., to Jackson, Miss.?

50. How, as a general rule, are the rates made from Central Freight Association Territory to Jackson and Meridian, Miss.?

51. What are the rates on the numbered classes from Chattanooga, Tenn., to Jackson, Miss.?

52. How are the rates adjusted from Knoxville, Tenn., to Jackson, Miss.?

53. How are the rates to Hattiesburg, Miss., fixed with relation to the rates to Jackson, Miss.?

54. What is meant by the term "a base point"?

55. What is the base point for the construction of rates from Chicago, Ill., to Union City, Tenn.?

56. How are the rates to Martin, Gibbs, and Rives, Tenn., fixed with relation to the rates to Union City, Tenn.?

57. What are the rates on the lettered classes from Carterville, Ill., to Humboldt, Tenn.?

58. What is the Class-F rate from Nashville, Tenn., to Jackson, Tenn.?

59. What is the Class-D rate from Indianapolis, Ind., to Grand Junction, Tenn.?

60. Are the rates from Memphis, Tenn., made upon any fixed basis?

61. What is meant by the term "arbitrarily established"?

62. What is the base point for the construction of rates to Tupelo, Miss.?

63. What are the rates on the first three classes from Memphis, Tenn., to Winona, Miss.?

64. What are the basing rates from Memphis, Tenn., to Yazoo City, Miss.?

65. What are the minimum rates from Chattanooga, Tenn., to Jackson, Tenn.?

66. Upon what basis are the rates constructed from Knoxville, Tenn., to junction points north of Grand Junction, Tenn., and Corinth, Miss.?

67. What are the rates on the numbered classes from Atlanta, Ga., to Corinth, Miss.?

68. In the rate adjustment in Kentucky-Tennessee Territory, is the competition of various kinds experienced to as great an extent as in other portions of Southern Territory?

69. What compels the relatively low rates from Lexington, Ky., to the Ohio River?

70. To and from the East, what basis is employed in establishing the rates to and from Lexington and Winchester, Ky.?

71. As a general proposition, are the rates to west Kentucky junctions, such as Central City, made on the same basis as the local rates of the carriers?

72. What constitutes an important item in the outbound tonnage of Clarksville, Tenn.?

73. May the water competition to Clarksville and Nashville, Tenn., be regarded as active or potential at this time?

74. How are the rates from New York City to Nashville, Tenn., fixed?

75. Is the long-and-short-haul clause observed as to rates between Cincinnati, Ohio, and Chattanooga, Tenn.?

76. When the rates from Cincinnati, Ohio, to Chattanooga, Tenn., were reduced by the Interstate Commerce Commission, was a similar reduction put into effect at Knoxville, Tenn.?

77. What rates are applied as maxima from Louisville, Ky., and Cincinnati, Ohio, to Morristown, Tenn.?

78. What basis is employed in establishing rates from Cincinnati, Ohio, to Johnson City, Tenn.?

79. What general reason may be advanced for the establishment of commodity rates?

80. How do the outbound commodity rates from Southern Territory compare with the inbound commodity rates?

81. Outline briefly the current adjustment employed in establishing rates on lumber from points in Southern Territory.

82. On cotton goods, do the mills in the Carolinas pay a higher rate to western points than the Georgia mills?

83. What is meant by the expression "the principle of affording a free movement"?

84. What market of production outside of Southern Territory influences the rates on furniture from points in Southern Territory?

85. When did the Act to Regulate Commerce originally become effective?

86. Summarize briefly the conditions affecting transportation that existed prior to the passage of the Act.

87. What is the substance of the long-and-short-haul clause?

88. Was the requirement of the long-and-short-haul clause complied with by the carriers throughout the country?

89. Does the contention of the carriers that through traffic may be handled more economically than local traffic appear logical to you?

90. What was the first case of any note that was conducted by the Interstate Commerce Commission? What were the Commission's findings in this case? What was the effect of its order?

91. Did the court at that time sustain the contentions of the carriers or the order of the Commission?

92. What was the effect of the legislation of 1910 with regard to the long-and-short-haul clause?

93. Summarize briefly the rules of law that affect this situation.

94. Upon what lines was the defense of the adjustment conducted by the carriers?

95. What were the findings of the Interstate Commerce Commission upon the rehearing of this case?

APPENDIX A

SECTION 4 OF THE ACT TO REGULATE COMMERCE

Throughout this treatise, continued reference to the fourth section of the Act to Regulate Commerce, styled the long-and-short-haul clause, has been made and we are accordingly reproducing this section of the Act in its entirety in order that it may be carefully studied in connection with the opinions expressed and the decisions rendered which are based thereon.

SEC. 4. (*As amended June 18, 1910.*) That it shall be unlawful for any common carrier subject to the provisions of this Act to charge or receive any greater compensation in the aggregate for the transportation of passengers, or of like kind of property, for a shorter than for a longer distance over the same line or route in the same direction, the shorter being included within the longer distance, or to charge any greater compensation as a through route than the aggregate of the intermediate rates subject to the provisions of this Act; but this shall not be construed as authorizing any common carrier within the terms of this Act to charge or receive as great compensation for a shorter as for a longer distance: *Provided, however,* That upon application to the Interstate Commerce Commission such common carrier may in special cases, after investigation, be authorized by the Commission to charge less for longer than for shorter distances for the transportation of passengers or property; and the Commission may from time to time prescribe the extent to which such designated common carrier may be relieved from the operation of this section: *Provided, further,* That no rates or charges lawfully existing at the time of the passage of this amendatory Act shall be required to be changed by reason of the provisions of this section prior to the expiration of six months after the passage of this Act, nor in any case where application shall have been filed before the Commission, in accordance with the provisions of this section, until a determination of such application by the Commission.

Whenever a carrier by railroad shall in competition with a water route or routes reduce the rates on the carriage of any species of freight to or from competitive points, it shall not be permitted to increase such rates unless after hearing by the Interstate Commerce Commission it shall be found that such proposed increase rests upon changed conditions other than the elimination of water competition.

It must not be understood, however, that violations exist in this territory alone, for such is not the case. The circuitous lines in Official Classification Territory violate in many instances, under the Central Freight Association and Trunk Line mileage basis, the provisions of this Act. Likewise, the Trans-Continental trunk lines maintain higher rates to intermediate points from certain territories than they do to terminal cities. In the latter case, however, the Commission has indicated that the carriers were justified to some extent in this practice and has authorized the continuance of the policy.¹

¹See Part 3 of "Freight Rates—Western Territory."

It would be manifestly impossible for the Interstate Commerce Commission to analyze every tariff and rate that is filed with it by the carriers in order to determine whether or not the provisions of the Act are violated.

For this reason, the Commission has incorporated in its tariff regulations a very liberal rule relieving the carriers of the necessity of publishing specific rates from or to all intermediate stations not to exceed the most distant point of origin. This rule is embodied in Tariff Circular No. 18-A and reads as follows:

77. PUBLISHING AND FILING TARIFFS UNDER AMENDED FOURTH SECTION OF THE ACT (adopted February 13, 1911).—If tariffs containing commodity rates applicable from points of production provide for their application from intermediate points not named, it would be necessary to post those tariffs at every intermediate point, although such shipment may never be made from a point not specifically named. If such tariffs do not provide for application from intermediate points, they would conflict with the amended fourth section of the Act whenever the class rate or a combination from an intermediate point exceeds the commodity rate from a more distant point.

Tariffs should not contain volumes of unnecessary rates, and it is undesirable to require the posting of large numbers of tariffs at points from which no shipments are likely to move. Therefore, until further ordered, carriers may file tariffs containing commodity rates applicable from known points of production without making such rates applicable from all intermediate points. Each such tariff shall bear on its title-page the following notation:

By authority of Rule 77 of Interstate Commerce Commission Tariff Circular No. 18-A, this tariff (these rates) is not (are not) made applicable from (or to) all intermediate points. Upon reasonable request therefor rates which will not exceed those in effect from (or to) more distant points will, under authority granted by the Interstate Commerce Commission, be established from (or to) any intermediate point hereunder upon one day's notice to the Commission and to the public.

In observance of this Rule carriers may on one day's lawful notice to the Commission and to the public extend the application of the rates shown in the tariff by establishing such rates from intermediate points which do not exceed the rates from the more distant point on same line or route, provided no advance is thereby made in any existing rate.

Ordinarily rates to intermediate points of destination not named in the tariff can properly and should be provided for by a clause in the tariff authorizing the application of its rates to intermediate points of destination, but in instances where the intermediate application of rates is impracticable or where conflicting rates would result therefrom, commodity rates may in the first instance be established to such intermediate destinations not higher than to more distant points on same line or route on like notice as from points of origin, provided no advance is thereby made in any existing rate.

For the purpose of eliminating from tariffs higher charges for shorter hauls as same are referred to in the amended fourth section of the Act, and when same have been in effect thirty days or more, carriers may make such changes effective on one day's lawful notice to the Commission and to the public, provided such changes are in each instance reductions in rates, fares, or charges. (See Rule 56.)

A tariff or supplement containing rates or fares issued upon short notice under authority of this Rule must bear on its title-page or in connection with the item containing the rate or fare the following notation:

Issued under authority of Rule 77 of Interstate Commerce Commission Tariff Circular No. 18-A. The rate (fare, or rates or fares) hereby reduced

appears (or appear) in ——— tariff I. C. C. No. ———, item (or page) ———, and the rate (fare, or rates or fares) from (or to) ——— [name it], the more distant point, appears (or appear) in ——— tariff I. C. C. No. ———, item (or page) ———.

When the Commission has issued an order granting to a carrier authority to depart from the provisions of the amended fourth section of the Act and to charge higher rates or fares for shorter than for longer distances over the same line or route, the title-page of each tariff issued and filed under such authority must bear the following notation:

This tariff contains rates (fares) that are higher for shorter distances than for longer distances over the same route, such departure from the terms of the amended fourth section of the Act to regulate commerce is permitted by authority of Interstate Commerce Commission Order F. S. No. — of [date] 19—.

When the Commission has issued an order granting to a carrier authority to depart from the provisions of the amended fourth section of the Act and to charge rates or fares higher than the aggregate of the intermediate rates or fares subject to the Act, the title-page of each tariff issued and filed under such authority must bear the following notation:

This tariff contains rates (or fares) that exceed the sums of the intermediate rates (or fares) subject to the Act. Such departure from the terms of the amended fourth section of the Act to regulate commerce is permitted by authority of Interstate Commerce Commission Order F. S. No. — of [date] 19—.

Nothing in this Rule may be construed as waiving any of the provisions of the amended fourth section of the Act to regulate commerce.

The tariff publications of the carriers should, therefore, be consulted for departures from the provisions of the long-and-short-haul clause, for when such departures exist, they must be specifically provided for, as indicated in the foregoing rule.

APPENDIX B

READJUSTMENT OF RATES TO SOUTHEASTERN TERRITORY FROM EASTERN POINTS OF ORIGIN

In connection with this and subsequent divisions of this work, it has seemed desirable to consolidate the orders of the Interstate Commerce Commission pertaining to the petition of the carriers in the long-and-short-haul case under subdivisions arranged according to territorial points of origin. In this subdivision, therefore, will be found the orders of the Commission affecting traffic originating at the Eastern Cities and destined to the following points:

Charleston, S. C.	Savannah, Ga.	Brunswick, Ga.	Jacksonville, Fla.
New Orleans, La.	Mobile, Ala.	Pensacola, Fla.	Augusta, Ga.
Memphis, Tenn.	Macon, Ga.	Milledgeville, Ga.	Hawkinsville, Ga.
Dublin, Ga.	Columbus, Ga.	Eufaula, Ala.	Montgomery, Ala.
Selma, Ala.	Demopolis, Ala.	Tuscaloosa, Ala.	Rome, Ga.
Birmingham, Ala.	Meridian, Miss.	Jackson, Miss.	Albany, Ga.
Atlanta, Ga.	Athens, Ga.	Cordele, Ga.	

CONTINUANCES

The following continuances were allowed.

To South Atlantic and Gulf Ports

The continuance of class and commodity rates from New York City to Charleston, S. C., Savannah and Brunswick, Ga., Jacksonville, Fla., New Orleans, La., Mobile, Ala., and Pensacola, Fla., and to other stations contiguous thereto to which rates from New York are made by combination on the above-named points of destination, which are lower than the rates concurrently applicable on like traffic to intermediate stations: Provided, That the rates to intermediate local stations which have not been depressed by combination on contiguous competitive points are not increased.

To Points Intermediate to Augusta, Ga., Memphis, Tenn., Macon and Milledgeville, Ga.

The continuance of class and commodity water-and-rail rates from New York City to Augusta, Ga., Memphis, Tenn., Macon, Milledgeville, Hawkinsville, Dublin, and Columbus, Ga., Eufaula, Montgomery, Selma, Demopolis, and Tuscaloosa, Ala., and to points to which rates are made by combination on the above-named points of destination which are lower than the rates concurrently applicable on like traffic to intermediate stations: Provided—

First. That on or before April 1, 1915, on the route from New York to Augusta (Ocean Steamship Company of Savannah to Savannah, Ga.; Central of Georgia Railroad from Savannah to Augusta, Ga.; constructive mileage, 382), the rates to stations between Savannah and Augusta are so corrected as not to exceed the rates for two-line hauls for like distances shown in Table A.

Second. That on the route from New York to Memphis (Pennsylvania Railroad to Potomac Yards, Va.; Southern Railway from Potomac Yards to Lynchburg, Va.; Norfolk and Western Railway from Lynchburg, Va., to Bristol, Tenn.; Southern Railway from Bristol, Tenn., to Memphis, Tenn.; 1,160 miles), the rates to stations between Chattanooga and Memphis affected by combination on Memphis shall not exceed such combination and the rates to stations not so affected are so corrected as to eliminate existing violations of the long-and-short-haul clause.

Third. That on or before April 1, 1915, on the routes from New York to Macon (Ocean Steamship Company of Savannah to Savannah, Ga.; Central of Georgia Railway from Savannah to Macon, Ga.; constructive mileage, 441), Milledgeville (Ocean Steamship Company of Savannah to Savannah, Ga.; Central of Georgia Railway from Savannah, Ga., to Milledgeville, Ga.; constructive mileage, 438), Hawkinsville (Ocean Steamship Company of Savannah to Savannah, Ga.; Central of Georgia Railway from Savannah, Ga., to Dublin, Wrightsville, and Tennille; Dublin to Hawkinsville; constructive mileage, 434), and Dublin (Ocean Steamship Company of Savannah to Savannah, Ga.; Central of Georgia Railway from Savannah, Ga., to Dublin; constructive mileage, 393), the rates to stations between Savannah on the one hand and Macon, Milledgeville, Hawkinsville, or Dublin, on the other hand are so corrected that they do not exceed the rates over two-line hauls for like distances shown in Table A.

Fourth. That on the route from New York to Columbus (Ocean Steamship Company of Savannah to Savannah; Central of Georgia Railway from Savannah to Columbus; constructive mileage, 541; Atlantic Coast Line Railroad from Savannah, Ga., to Albany, Ga.; constructive mileage, 458; Central of Georgia Railway from Savannah, Ga., to Eufaula, Ala.; constructive mileage, 585), the rates to stations from Everett, Ga., to Schatulga, Ga., are not increased.

Fifth. That on or before April 1, 1915, on the route to Montgomery (Ocean Steamship Company of Savannah to Savannah, Ga.; Seaboard Air Line Railway from Savannah to Montgomery, Ala.; constructive mileage, 588), the rates to stations east of Hartsboro, Ala., are so corrected as not to exceed the present rates to Hartsboro, viz., 130, 111, 98, 83, 69, and 65 cents per 100 pounds on Classes 1 to 6, respectively, and the rates to stations between Hartsboro and Montgomery are so corrected as not to exceed the rates to Hartsboro by more than 5 per cent.

Sixth. That on the route from New York to Selma (Ocean Steamship Company of Savannah to Savannah; Seaboard Air Line Railway from Savannah to Montgomery; Western Railway of Alabama from Montgomery to Selma; constructive mileage, 638), the rates to stations between Montgomery and Selma affected by combination on one of these points shall not exceed such combination and the rates to stations not so affected are not increased.

Seventh. That on or before April 1, 1915, on the route from New York City to Demopolis (Ocean Steamship Company of Savannah to Savannah; Seaboard Air Line Railway from Savannah to Montgomery; Western Railway of Alabama from Montgomery to Selma; Southern Railway from Selma to Demopolis; constructive mileage, 637), the rates to stations between Selma and Demopolis are so corrected that they do not exceed the rates to Demopolis by more than 20, 18, 15, 13, 11, and 10 cents per 100 pounds on Classes 1 to 6, respectively.

To Rome, Ga., Birmingham, Ala., Meridian and Jackson, Miss.

The continuance of water-and-rail rates on classes and commodities from New York City to Rome, Ga., Birmingham, Ala., and to Meridian and Jackson, Miss., and to points contiguous thereto to which rates are made by combination on these points, which are lower than the rates concurrently applicable on like traffic to intermediate stations: Provided—

First. That on or before April 1, 1915, on the route from New York to Rome (Old Dominion Steamship Company to Norfolk, Va.; Southern Railway through Atlanta to Rome; constructive mileage, 850), the rates to stations between Atlanta and Rome are so corrected that they do not exceed the rates over two-line hauls of like distances shown in Table A.

Second. That on or before April 1, 1915, on the route from New York to Meridian (Old Dominion Steamship Company to Norfolk, Va.; Southern Railway from Norfolk, Va., to Birmingham, Ala.; Alabama Great Southern Railroad from Birmingham to Meridian; constructive mileage, 882), the rates from New York to stations on the Alabama Great Southern Railroad between Birmingham and Meridian are so corrected as not to exceed the rates over two-line hauls of like distances shown in Table A.

Third. That on or before April 1, 1915, on the route from New York to Jackson (Old Dominion Steamship Company to Norfolk, Va.; Southern Railway from Norfolk, Va., to Birmingham; Alabama & Vicksburg Railway from Meridian to Jackson; constructive mileage, 978), the rates to stations on the Alabama & Vicksburg Railway between Meridian and Jackson are so corrected that the rates to stations between Meridian and Newton do not exceed the present rates to Newton, and the rates to stations between Newton and Jackson do not exceed the rates to Jackson by more than 12, 11, 10, 9, 9, and 8 cents per 100 pounds on Classes 1 to 6, respectively.

Fourth. That on the route from New York to Birmingham (Clyde Line to Charleston; Southern Railway from Charleston to Augusta; Georgia Railroad from Augusta, Ga., to Atlanta; Southern Railway from Atlanta to Birmingham; constructive mileage, 729), the rates to stations between Atlanta and Birmingham that are affected by combination on Atlanta or Birmingham shall not exceed such combination and the rates to stations not so affected are not increased.

The Alabama. Tennessee & Northern Railroad Company; Apalachicola Northern Railroad Company and L. H. Dimmitt, receiver thereof; Atlanta & St. Andrews Bay Railway Company; Augusta Southern Railroad Company; Birmingham & Atlantic Railroad Company; Birmingham, Columbus & St. Andrews Railroad Company and A. D. Campbell, receiver thereof; Birmingham & Southeastern Railway Company; Chattahoochee Valley Railway Company; Chicago, Memphis & Gulf Railroad Company; Fernwood & Gulf Railroad Company; Fitzgerald, Ocilla & Broxton Railroad Company and E. T. Lamb, receiver thereof; Flint River & Northeastern Railroad Company; Florida Central Railroad Company and R. A. McCranie, receiver thereof; Gainesville Midland Railway; Georgia Coast & Piedmont Railroad Company; Georgia & Florida Railway; The Georgia, Florida & Alabama Railway Company; Georgia Northern Railway Company; Georgia Southwestern & Gulf Railroad Company; Greene County Railroad Company; Hawkinsville & Florida Southern Railway Company; Hawkinsville & Western Railroad Company; Kentwood & Eastern Railway Company; Liberty-White Railroad Company; Macon & Birmingham Railway Company and John B. Munson, receiver thereof; Macon, Dublin & Savannah Railroad Company; Marianna & Blountstown Railroad Company; Meridian & Memphis Railway; Natchez, Columbia & Mobile Railroad Company; Ocilla Southern Railroad Company; Pascagoula, Moss Point & Northern Railroad

Company; Register & Glennville Railway; Savannah & Northwestern Railway; Savannah & Statesboro Railway Company; South Georgia Railway Company; Sylvania & Girard Railroad Company; Tennessee, Alabama & Georgia Railroad Company; Valdosta, Moultrie & Western Railroad Company and B. P. Jones, C. I. Harrell, and A. L. Davis, receivers thereof; Wadley Southern Railway Company; and Wrightsville & Tennille Railroad Company are authorized to continue for two years via the lines named the same rates from New York City and related points and the Ohio and Mississippi River crossings to and via their junctions with other lines as are concurrently effective to the same points via the lines of their competitors, and to continue higher rates to intermediate local stations on the lines named above: *Provided*, That the present differences between the rates to local and junction points are not increased.

DENIALS

The petitions to continue violations to the following points were denied.

To Albany, Ga.

The continuance of lower rates on classes and commodities from New York City to Albany, Ga., than the rates concurrently applicable on like traffic to intermediate stations is denied.

To Atlanta, Athens, and Cordele, Ga.

The continuance of lower class and commodity rates from New York to Atlanta, Athens, and Cordele, Ga., via Norfolk and the south Atlantic ports and from New York to Meridian and Jackson, Miss., via New Orleans, La., and Mobile, Ala., than the rates concurrently applicable on like traffic to intermediate stations is denied.

The rates prescribed herein as maxima to be observed at intermediate points are as set forth in Table A.

And it is further ordered, That in all those instances covered by this order of the Commission where carriers have been authorized to maintain lower class and commodity rates to more distant than to intermediate points, items in tariffs containing commodity rates to more distant points, which rates are not made applicable to intermediate points, shall contain and refer by proper reference mark to a note reading as follows:

"The rate named in this item is not applicable to all intermediate points. This departure from the requirements of the fourth section is authorized by I. C. C.'s Fourth Section Order No. 3866. Upon reasonable application therefore a rate will be established to any intermediate point upon one day's notice to the Commission and to the public which will not exceed the rate to the next more distant point to which a rate is named by more than the class rate on the class to which this commodity belongs exceeds the rate on the same class to the more distant point."

CONSTRUCTIVE MILEAGE

The term "constructive mileage" alluded to in the foregoing is employed in connection with water-and-rail routes and indi-

TABLE A

DISTANCES	Classes												
	1	2	3	4	5	6	A	B	C	D	E	H	F
\$100 miles:													
One line.....	96	84	69	63	51	45	35	38	31	25	46	55	52
Two or more lines..	106	92	79	66	56	47	40	44	32	26	52	58	55
\$150 miles:.....													
One line.....	103	89	73	69	55	47	40	41	33	26	50	58	53
Two or more lines..	110	95	84	69	58	48	41	44	34	27	52	59	57
\$200 miles:													
One line.....	110	95	77	69	58	49	41	43	34	27	51	59	57
Two or more lines..	112	98	87	72	60	49	42	44	35	27	54	60	57
\$250 miles:													
One line.....	115	98	80	69	59	51	41	44	34	28	52	60	60
Two or more lines..	116	100	89	74	62	51	42	44	35	28	55	62	60
\$300 miles:													
One line.....	116	99	83	70	60	51	41	45	34	29	53	62	60
Two or more lines..	120	104	92	76	64	52	42	46	35	29	56	64	62
\$350 miles:													
One line.....	117	100	85	72	61	52	43	46	35	30	54	64	64
Two or more lines..	128	112	99	83	69	56	43	48	37	31	59	68	64
\$400 miles:													
One line.....	118	102	86	74	63	53	44	47	36	30	56	64	64
Two or more lines..	131	114	101	85	70	58	44	49	38	32	62	71	66
\$450 miles:													
One line.....	123	106	89	78	66	56	45	49	37	32	59	67	66
Two or more lines..	137	118	106	90	74	60	47	51	40	33	66	74	68
\$500 miles:													
One line.....	128	110	94	82	70	59	47	51	38	33	63	69	70
Two or more lines..	142	126	113	94	80	66	50	53	43	35	68	77	71
\$550 miles:													
One line.....	133	114	98	86	73	62	49	54	39	34	70	73	72
Two or more lines..	147	130	118	98	84	69	53	56	45	36	74	80	73

In applying this scale to ocean-and-rail rates from New York and Philadelphia the following differentials may be added to the rates shown in the scale:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials	7	6	5	4	3	2	3	3	3	3	4	5	6

cates a distance which is less than the actual. It is customary, in dividing joint rates between water carriers on the one hand and rail carriers on the other, to do so on an approximate mileage pro-rate, the water lines construing their mileage on the basis of two or more miles to each mile of land haul or reducing their actual mileage to a fixed figure greatly less than the actual distance between the ports they serve thus. The mileage from New York, N. Y., to Norfolk, Va., is assumed to be 160 miles; from New York to Charleston, Savannah, or Brunswick, 250 miles; consequently, the constructive mileage to any given point from New York is computed by adding these figures to the rail distance from the port in question to the final destination.

As has been previously intimated, the Interstate Commerce Commission has granted the carriers a continuance of the order referred to until April 1, 1915, by which time it is hoped that the adjustments will all have been effected. There is some doubt, however, in transportation circles as to whether a herculean task of this kind can be performed within this period, and in the

event that it cannot, additional time will have to be obtained by sanction of the Commission.

The order of the Commission, however, is very specific and those directly concerned will have no difficulty in determining the effect thereof by selecting the various routes designated, tabulating the current rates applicable thereon, and applying the order of the Commission to such intermediate points where a higher rate is maintained with reference to a lower rate to a more distant point.

APPENDIX C

READJUSTMENT OF RATES TO SOUTHEASTERN TERRITORY FROM WESTERN POINTS OF ORIGIN

In this subdivision will be found the orders of the Interstate Commerce Commission affecting traffic originating at Cincinnati, Ohio, Louisville, Ky., and related points and destined to the following points:

Charleston, S. C.	Port Royal, S. C.	Savannah, Ga.	Brunswick, Ga.
Jacksonville, Fla.	Augusta, Ga.	Birmingham, Ala.	Montgomery, Ala.
Selma, Ala.	Macon, Ga.	Columbus, Ga.	Albany, Ga.
Atlanta, Ga.	Athens, Ga.	Cordele, Ga.	Rome, Ga.
Birmingham, Ala.	Meridian, Miss.	Jackson, Miss.	

CONTINUANCES

The following continuances were allowed.

To Charleston and Port Royal, S. C., Savannah and Brunswick, Ga., and Jacksonville, Fla.

The continuance of class and commodity rates from Louisville, Ky., and Cincinnati, Ohio, to Charleston and Port Royal, S. C., Savannah and Brunswick, Ga., and Jacksonville, Fla., and points contiguous thereto to which rates from Cincinnati and Louisville are made by combination on the above-named destination points which are lower than the rates concurrently applicable on like traffic to intermediate stations: Provided—

First. That on the route from Louisville to Charleston (Louisville & Nashville Railroad from Louisville to Nashville; Nashville, Chattanooga & St. Louis Railway from Nashville to Atlanta; Georgia Railroad from Atlanta to Augusta; Southern Railway from Augusta to Charleston; constructive mileage, 779), the rates to stations between Augusta and Charleston affected by combination on either of these points do not exceed such combination and the rates to other stations not so affected are not increased.

Second. That on the route from Cincinnati to Charleston (Cincinnati, New Orleans & Texas Pacific Railway from Cincinnati to Harriman Junction; Southern Railway from Harriman Junction through Morristown, Asheville, and Columbia to Charleston; constructive mileage, 732), the rates to stations between Columbia, S. C., and Charleston affected by combination on one of these points do not exceed such combination and the rates not so affected are not increased.

Third. That on the route from Louisville to Port Royal (Louisville & Nashville Railroad to Nashville, Tenn.; Nashville, Chattanooga & St. Louis Railway from Nashville to Atlanta; Georgia Railroad from Atlanta to Augusta; Charleston & Western Carolina Railway from Augusta to Port Royal; constructive mileage, 758), the rates to stations between Augusta and Port Royal affected by combination on one of these points do not exceed

such combination and the rates to stations not so affected are not increased.

Fourth. That on the route from Cincinnati to Port Royal (Cincinnati, New Orleans & Texas Pacific Railway from Cincinnati to Harriman Junction; Southern Railway to Spartansburg, S. C.; Charleston & Western Carolina Railway from Spartansburg through Augusta to Port Royal; constructive mileage, 753), the rates to stations between Augusta and Port Royal affected by combination on one of these points shall not exceed such combination and the rates to stations not so affected are not increased.

Fifth. That on or before April 1, 1915, on the route from Louisville to Savannah (Louisville & Nashville Railroad to Montgomery, Ala.; Seaboard Air Line Railway from Montgomery to Savannah; constructive mileage, 829), the rates to stations west of Helena are so corrected that they do not exceed the rates to Helena, and that the rates to stations east of Helena do not exceed the rates to Helena by more than 5 per cent and in no case exceed the combination on Savannah.

Sixth. That on the route from Cincinnati to Savannah (Cincinnati, New Orleans & Texas Pacific Railway to Harriman Junction; Southern Railway through Asheville and Columbia to Savannah; constructive mileage, 756), the rates to stations between Columbia, S. C., and Savannah affected by combination on one of these points shall not exceed such combination and that the rates to stations not so affected are not increased.

Seventh. That on or before April 1, 1915, on the route from Louisville to Brunswick (Louisville & Nashville Railroad to Montgomery, Ala.; Atlantic Coast Line Railroad from Montgomery to Brunswick; constructive mileage, 863), the rates to stations between Montgomery and Dupont, Ga., except Bainbridge, Ga., are so corrected as to avoid departures from the long-and-short-haul clause, and rates to stations east of Dupont are not higher than the combination on Brunswick.

Eighth. That on or before April 1, 1915, on the route from Cincinnati to Brunswick (Cincinnati, New Orleans & Texas Pacific Railway from Cincinnati to Chattanooga, Tenn.; Southern Railway from Chattanooga through Rome, Atlanta, and Macon to Brunswick; constructive mileage, 767), the rates to stations between Macon, Ga., and Helena, Ga., are so corrected that they do not exceed the present rates to Helena, and the rates to stations south of Helena do not exceed rates to Helena by more than 5 per cent and in no case exceed the combination on Brunswick.

Ninth. That on or before April 1, 1915, on the route from Louisville to Jacksonville (Louisville & Nashville Railroad to River Junction, Fla.; Seaboard Air Line Railway from River Junction, Fla., to Jacksonville, Fla.; constructive mileage, 960), the rates to stations between River Junction, Fla., and Welborn, Fla., are so corrected as to avoid violations of the long-and-short-haul clause and to be not higher than the rates over two-line hauls for like distances shown in Table A, and the rates to stations east of Welborn do not exceed the combination on Jacksonville.

Tenth. That on the route from Cincinnati to Jacksonville (Cincinnati, New Orleans & Texas Pacific Railway to Chattanooga; Southern Railway from Chattanooga to Jesup, Ga.; Atlantic Coast Line Railroad from Jesup to Jacksonville; constructive mileage, 843), the rates to stations between Jesup, Ga., and Jacksonville do not exceed the combination upon either Brunswick or Jacksonville.

The carriers operating routes from Cincinnati through territory on and west of the line formed by the Central of Georgia Railway, Birmingham, Ala., to Columbus, Ga., and the Chattahoochee River, Columbus to Apalachicola, Fla., to points east of the line above described, and carriers operating routes from Louisville and other lower Ohio River crossings through territory east of the said line to points west of such line are authorized to continue such departures from the requirements of the fourth section as may be necessary to

preserve the existing relationship between the rates from Cincinnati, Ohio, on the one hand and the lower Ohio River crossings on the other to the territories east and west of the line above described.

The carriers operating routes from Ohio River Crossings or points north thereof to Meridian, Miss., via Jackson, Miss., or to Jackson via Meridian, are authorized to establish and maintain the same rates to Jackson and Meridian as are concurrently effective at the same points via direct lines, and to continue rates to points between Meridian and Jackson the following differentials higher than to Jackson or Meridian:

Classes.....	1	2	3	4	5	6	A	B	C	D	E	H	F
Differentials.....	3	3	3	2	2	2	2	2	2	2	2	2	4

The Yazoo & Mississippi Valley Railroad Company is authorized to continue the same rates from Memphis, Tenn., and points north and west thereof to Jackson, Miss., via their lines that are concurrently effective from and to the same points via the Illinois Central Railroad and to continue for two years from the effective date of this order higher rates to intermediate points: Provided, That on or before April 1, 1915, the rates to intermediate points are so corrected as to not exceed the rates for like distances shown in Table A.

To Charleston, S. C., Savannah and Brunswick, Ga., Tampa and Jacksonville, Fla.

The continuance of class and commodity rates from New Orleans, La., to Charleston, S. C., Savannah and Brunswick, Ga., Tampa and Jacksonville, Fla., and to stations contiguous thereto, to which rates from New Orleans are made by combination on the above-named points of destination which are lower than the rates concurrently applicable on like traffic to intermediate points: Provided—

First. That on the route to Charleston (Louisville & Nashville Railroad from New Orleans to Montgomery; West Point Route to Atlanta; Georgia Railroad to Augusta; and Southern Railway to Charleston; 793 miles), the rates to points between Augusta and Charleston not affected by combination on either Charleston or Augusta are not increased and the rates to points between Augusta and Charleston which are made by combination on these points do not exceed such combination.

Second. That on or before April 1, 1915, on the route to Savannah (Louisville & Nashville Railroad to Montgomery; Seaboard Air Line Railway from Montgomery to Savannah; 656 miles), the rates to stations west of Helena, Ga., are so corrected as not to exceed the present rates to Helena, and the rates to stations east of Helena are corrected to be not higher than 5 per cent in excess of the rates to Helena, and in no case exceed the combination on Savannah.

Third. That on or before April 1, 1915, on the route to Brunswick (Louisville & Nashville Railroad to River Junction, Fla.; Atlantic Coast Line Railroad from River Junction to Brunswick; 623 miles), the rates to stations west of Homerville, Ga., are so corrected that they do not contravene the provisions of the fourth section one as against another, and in no case exceed the rates over two-line hauls for like distances shown in Table A and east of Homerville in no case exceed the combination on Brunswick.

Fourth. That on or before April 1, 1915, on the route to Jacksonville (Louisville & Nashville Railroad to River Junction, Fla.; Seaboard Air Line Railway from River Junction to Jacksonville; 612 miles), the rates to stations west of Lee, Fla., are so corrected that they do not contravene the provisions of the fourth section one as against another, and in no case exceed the rates over two-line hauls for like distances shown in Table A, and rates to stations east of Lee do not exceed the combination on Jacksonville.

Fifth. That on the route to Tampa, Fla., (Louisville & Nashville Railroad to River Junction, Fla.; Seaboard Air Line Railway from River Junction through Baldwin to Tampa, Fla.; 788 miles), the rates to stations between Jacksonville and Tampa not affected by combination on either of these points are not increased, and the rates to stations between Jacksonville and Tampa which are made by combination on either Jacksonville or Tampa do not exceed such combination.

To Augusta, Ga.

The continuance of rates on classes and commodities from New Orleans, La., to Augusta, Ga., and to points contiguous thereto, to which rates from New Orleans are made by combination on Augusta which are lower than the rates concurrently applicable on like traffic to intermediate points: Provided—

That on the route from New Orleans to Augusta (Louisville & Nashville Railroad from New Orleans to Montgomery; Western Railway of Alabama and Atlanta & West Point Railroad from Montgomery to Atlanta; Georgia Railroad from Atlanta to Augusta; 664 miles), the rates to stations between Atlanta and Augusta affected by combination on one of these points do not exceed such combination and the rates to stations not so affected are not increased.

To Augusta, Macon, and Columbus, Ga., and Montgomery and Selma, Ala.

The continuance of class and commodity rates from Cincinnati, Ohio, and Louisville, Ky., to Augusta, Macon, and Columbus, Ga., and to Montgomery and Selma, Ala., and to points contiguous thereto, to which rates from Cincinnati and Louisville are made by combination on the above-named points of destination, which are lower than the rates concurrently applicable on like traffic to intermediate points: Provided—

First. That on the route from Cincinnati to Augusta (Cincinnati, New Orleans & Texas Pacific Railway from Cincinnati to Harriman Junction; Southern Railway to Spartanburg, S. C.; Charleston & Western Carolina Railway to Augusta; 642 miles), the rates to stations between Spartanburg, S. C., and Augusta not affected by combination on Augusta are not increased, and the rates to stations affected by combination on Augusta do not exceed the combination on Augusta.

Second. That on or before April 1, 1915, on the route from Louisville to Augusta (Louisville & Nashville Railroad to Nashville; Nashville, Chattanooga & St. Louis Railway to Atlanta; Georgia Railroad to Augusta; 650 miles), the rates to stations between Atlanta and Augusta are so corrected that they do not exceed the rates over two-line hauls of like distances shown in Table A.

Third. That on or before April 1, 1915, on the route from Cincinnati to Macon (Cincinnati, New Orleans & Texas Pacific Railway to Chattanooga; Southern Railway through Rome and Atlanta to Macon; 580 miles), the rates to stations between Atlanta and Macon are so corrected that they do not exceed the rates over two-line hauls for like distances shown in Table A.

Fourth. That on or before April 1, 1915, on the route from Louisville to Macon (Louisville & Nashville Railroad to Birmingham; Central of Georgia Railway from Birmingham to Macon; 647 miles), the rates to stations between Columbus and Macon are so aligned that they do not contravene the provisions of the fourth section and do not exceed the rates over two-line hauls of like distances shown in Table A.

Fifth. That on or before April 1, 1915, on the route from Cincinnati to Columbus (Cincinnati, New Orleans & Texas Pacific Railway to Chattanooga; Southern Railway through Rome, Atlanta, and McDonough to Columbus, Ga.; 618 miles), the rates to stations between McDonough and Columbus are so corrected that they do not exceed the rates over two-line hauls of like distances shown in Table A.

Sixth. That on or before April 1, 1915, on the route from Louisville to Columbus (Louisville & Nashville Railroad to Birmingham; Central of Georgia Railway from Birmingham to Columbus; 547 miles), the rates to stations between Birmingham and Columbus are so corrected that they do not exceed the rates over two-line hauls of like distances shown in Table A.

Seventh. That on or before April 1, 1915, on the route from Cincinnati to Montgomery (Cincinnati, New Orleans & Texas Pacific Railway to Chattanooga; Southern Railway to Atlanta; Atlanta & West Point Railway and Western Railway of Alabama to Montgomery; 667 miles), the rates to stations between Atlanta and West Point are so corrected that they do not exceed the rates over two-line hauls of like distances shown in Table A.

Eighth. That on the route from Louisville to Montgomery (Louisville & Nashville Railroad; 491 miles), the rates to stations between Calera and Montgomery, Ala., affected by combination on Montgomery shall not exceed such combination and the rates not so affected are not increased.

Ninth. That on or before April 1, 1915, on the route from Cincinnati to Selma (Cincinnati, New Orleans & Texas Pacific Railway to Chattanooga; Alabama Great Southern Railroad to Birmingham; Southern Railway to Selma; 590 miles), the rates to stations between Birmingham and Maplesville, Ala., are so corrected as not to exceed the present rates to Maplesville and the rates to stations between Maplesville and Selma are so corrected that they do not exceed the rates over two-line hauls of like distances shown in Table A.

Tenth. That on the route from Louisville to Selma (Louisville & Nashville Railroad to Montgomery; Western Railway of Alabama to Selma; 541 miles), the rates to stations between Montgomery and Selma unaffected by combinations on those points are not increased and the rates to stations so affected do not exceed such combination.

To Birmingham, Ala.

The continuance of lower class and commodity rates from New Orleans to Birmingham, Ala., (Louisville & Nashville Railroad; 415 miles) than the rates concurrently applicable on like traffic to intermediate points: Provided, That the rates from New Orleans to stations between Montgomery and Birmingham which are affected by combination on those points do not exceed such combination, and the rates to stations not so affected are not increased.

DENIALS

The petitions to continue violations to the following points were denied.

To Montgomery and Selma, Ala., and Macon, Columbus, and Albany, Ga.

The continuance of lower rates from New Orleans, La., to Montgomery and Selma, Ala., and to Macon, Columbus, and Albany, Ga., than to intermediate points is denied, effective April 1, 1915.

To Albany, Ga., and Chattanooga, Tenn.

The continuance of class and commodity rates from Cincinnati, Ohio, and Louisville, Ky., to Albany, Ga., and Chattanooga, Tenn., which are lower than the rates concurrently applicable on like traffic to intermediate points is denied, effective April 1, 1915.

To Atlanta, Athens, Cordele, and Rome, Ga.

The continuance of lower rates on classes and commodities from New Orleans, La., to Atlanta (Louisville & Nashville Railroad from New Orleans to Atlanta; Western Railway of Alabama from New Orleans to Montgomery; Atlanta & West Point Railway from Montgomery to Atlanta; 493 miles), Athens (Louisville & Nashville Railroad from New Orleans to Montgomery; Western Railway of Alabama and Atlanta & West Point Railway from Montgomery to Atlanta; Seaboard Air Line Railway from Atlanta to Athens; 566 miles), Cordele (Louisville & Nashville Railroad from New Orleans to Montgomery; Seaboard Air Line Railway from Montgomery to Cordele; 488 miles), and Rome (Louisville & Nashville Railroad from New Orleans to Birmingham; Southern Railway from Birmingham to Rome; 542 miles) is denied, effective April 1, 1915.

To Atlanta, Athens, Rome, and Cordele, Ga., Birmingham, Ala., and Meridian and Jackson, Miss.

The continuance of lower class and commodity rates from Cincinnati and Louisville to Atlanta, Athens, Rome and Cordele, Ga., Birmingham, Ala., and Meridian and Jackson, Miss., and from Cairo, Ill., St. Louis, Mo., and Chicago, Ill., to Meridian and Jackson than the rates concurrently applicable on like traffic to intermediate points is denied, effective April 1, 1915.

It will be noted in these orders of the Commission that the basing points only have been singled out. It follows, however, that these adjustments will be reflected in through rates from adjoining territories, such as from Southwestern Tariff Committee Territory, Western Trunk Line Territory, and Central Freight Association Territory, by reason of the fact that through rates are, as a rule, made by applying the rates of those associations up to the base points plus the rates from the base points to destinations. Consequently, if the maintenance of higher rates to points intermediate to Chattanooga is denied, it necessarily follows that the continuance of higher rates to intermediate points from points basing on Chattanooga is likewise automatically prohibited.

APPENDIX D

READJUSTMENT OF RATES TO MISSISSIPPI VALLEY POINTS AND GULF PORTS FROM EASTERN AND WESTERN POINTS OF ORIGIN

In this subdivision will be found the orders of the Interstate Commerce Commission affecting rates from western points of origin to points in Mississippi Valley Territory and related points, viz.:

New Orleans, La.	Mobile, Ala.	Pensacola, Fla.	Tampa, Fla.
Gulfport, Miss.	Memphis, Tenn.	Greenville, Miss.	Vicksburg, Miss.
Natchez, Miss.	Meridian, Miss.	Jackson, Miss.	

CONTINUANCES

The following continuances were allowed.

To New Orleans, La., Mobile, Ala., Pensacola, Fla., Gulfport, Miss., and Tampa, Fla.

The carriers are authorized to continue class and commodity rates from Cincinnati, Ohio, Louisville, Ky., Cairo, Ill., St. Louis, Mo., and Chicago, Ill., to New Orleans, La., Mobile, Ala., Pensacola, Fla., Gulfport, Miss., and Tampa, Fla., and points contiguous thereto, to which rates from originating points named are made by combination on the above-named destinations which are lower than the rates concurrently applicable on like traffic to intermediate stations: Provided—

First. That on the routes from Cairo to New Orleans (Illinois Central Railroad to New Orleans; 556 miles), Mobile (Mobile & Ohio Railroad to Mobile; 502 miles), and Pensacola (Mobile & Ohio Railroad to Mobile; Louisville & Nashville Railroad to Pensacola; 603 miles), the rates to stations between Jackson and New Orleans, between Meridian and Mobile, and between Mobile and Pensacola affected by combination on one of the above-named points do not exceed such combination and the rates to stations not so affected are not increased.

Second. That on the routes from Louisville to New Orleans (Louisville & Nashville Railroad to New Orleans; 809 miles), Mobile (Louisville & Nashville Railroad to Mobile; 670 miles), Pensacola (Louisville & Nashville Railroad to Pensacola; 654 miles), and Tampa (Louisville & Nashville Railroad to River Junction, Fla.; Seaboard Air Line Railway from River Junction to Tampa, Fla.; 1,198 miles), the rates to stations between Montgomery and Pensacola, between Montgomery and Mobile, between Mobile and New Orleans, and between Jacksonville and Tampa affected by combination on one of the above-named points of destination do not exceed such combination, and the rates to stations not so affected are not increased.

Third. That on the route from St. Louis to New Orleans (Illinois Central Railroad to New Orleans; 707 miles) and Pensacola (Louisville & Nashville

Railroad to Pensacola; 761 miles), the rates to stations between Jackson and New Orleans and between Mobile and Pensacola affected by combination on one of the above-named points of destination do not exceed such combination and the rates to stations not so affected are not increased.

Fourth. That on or before April 1, 1915, on the route from St. Louis to Mobile (Mobile & Ohio Railroad; 657 miles), the rates to stations between Meridian and Mobile are so corrected that they do not exceed the rates for one-line hauls of like distances shown in Table A.

Fifth. That on the routes from Cincinnati to Mobile (Louisville & Nashville Railroad to Mobile; 784 miles), New Orleans (Louisville & Nashville Railroad to New Orleans; 923 miles), Pensacola (Louisville & Nashville Railroad to Pensacola; 768 miles) and Tampa (Cincinnati, New Orleans & Texas Pacific Railway from Cincinnati to Chattanooga; Southern Railway to Jacksonville; Seaboard Air Line Railway to Tampa; 1,065 miles), the rates to stations between Montgomery and Pensacola, between Montgomery and Mobile, between Mobile and New Orleans, and between Jacksonville and Tampa affected by combination on one of the above-named points do not exceed such combination, and the rates to stations not so affected are not increased.

Sixth. That on the routes from Chicago to New Orleans (Illinois Central Railroad to New Orleans; 920 miles), Mobile (Illinois Central Railroad to Cairo; Mobile & Ohio Railroad to Mobile; 866 miles), and Pensacola (Chicago & Eastern Illinois Railroad from Chicago to Evansville; Louisville & Nashville Railroad to Pensacola; 912 miles), the rates to stations between Jackson and New Orleans, between Meridian and Mobile, and between Montgomery and Pensacola affected by combination on one of the above-named points of destination do not exceed such combination and the rates to stations not so affected do not exceed the rates for like distances shown in Table A.

To Memphis, Tenn., Greenville, Vicksburg, and Natchez, Miss.

The carriers are authorized to continue class and commodity rates from Cairo, Ill., Louisville, Ky., Cincinnati, Ohio, St. Louis, Mo., and Chicago, Ill., to Memphis, Tenn., Greenville, Vicksburg, and Natchez, Miss., and points contiguous thereto to which rates from the above-named points of origin are made by combination on the destinations named which are lower than the rates concurrently applicable on like traffic to intermediate stations: Provided—

First. That on the routes from Cairo (Illinois Central Railroad; 170 miles), Cincinnati (Louisville & Nashville Railroad; 494 miles), Louisville (Illinois Central Railroad; 391 miles), St. Louis (Illinois Central Railroad; 322 miles), and Chicago (Illinois Central Railroad; 544 miles) to Memphis, the rates to points affected by combination on Memphis do not exceed such combination and the rates to intermediate points not so affected do not exceed the rates for like distances shown in Table A.

Second. That on the routes from Cincinnati to Vicksburg, Greenville, and Natchez, the rates to stations affected by combination on one of the above-named points of destination do not exceed such combination and the rates to intermediate points not so affected do not exceed the rates for like distances shown in Table A.

Third. That on the routes from Cairo, Louisville, St. Louis, and Chicago to Greenville, Vicksburg, and Natchez, the rates to stations affected by combination on the above-named points of destination do not exceed such combination, and on or before April 1, 1915, the rates to intermediate stations not so affected are so corrected as not to exceed the rates over one-line hauls for like distances shown in Table A.

FREIGHT RATES

SOUTHERN TERRITORY

**ONE OF A SERIES OF TREATISES IN AN INTERSTATE
COMMERCE AND RAILWAY TRAFFIC COURSE**

ADDISON R. SMITH
Third Vice-President
Louisville & Nashville Railroad

PART 4

**MISSISSIPPI VALLEY TERRITORY
KENTUCKY-TENNESSEE TERRITORY
LONG-AND-SHORT-HAUL CLAUSE**

LA SALLE EXTENSION UNIVERSITY
(Non-Resident Instruction)
CHICAGO

UNIVERSITY OF ILLINOIS-URBANA



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